



Daily Report

Latin America

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16 May 1991

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16 May 1991

NOTICE TO READERS: On 6 May 1991, the DAILY REPORT will begin phasing in new radio and television sourcelines that reflect how a station identifies itself. This change eliminates the "Domestic Service" and "Television Service" designations in favor of the station identification as broadcast. The presence of a new sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Cuba

Decision To Release Jailed Spy Confirmed

PA1605013891 Havana Radio Havana Cuba
in Spanish 0105 GMT 16 May 91

[Text] The Cuban Government decided to free Dominican citizen Emenecio De La Cruz Martinez who was sentenced to 25 years in prison in 1973. De La Cruz was charged with espionage.

The news was confirmed today by a spokesman for the Foreign Ministry who clarified that the Cuban decision was not brought on by any official request from the Dominican Foreign Ministry.

The spokesman stated that the reknowned Dominican lawyer Ramon Antonio Vera was the only person who took steps in the affair and that his request was honored for humanitarian reasons.

Chinese Communist Party Delegation Begins Visit

FL1605012391 Havana Tele Rebelde and Cuba
Vision Networks in Spanish 0000 GMT 16 May 91

[Text] China and Cuba will strengthen even more their friendship ties with the visit by a Chinese Communist Party delegation which began in our country today. The friendship mission is headed by Zhao Zongnai, member of the Central Committee and deputy director of the Organization Department, and composed of five other officials. Abelardo Alvarez Gil, member of the Communist Party of Cuba Central Committee and chief of the Cadre Policy Department, welcomed them.

The delegation will stay in our country for a week. They will hold talks with party and government leaders and will tour places of economic and social interest on the island.

Villa Clara Breaks Sugar Production Record

FL1505185891 Havana Radio Progreso Network
in Spanish 1625 GMT 15 May 91

[Text] By obtaining more than 1,100,000 tons of sugar in the present sugar harvest, Villa Clara Province has broken its own past record and has made the current season the best in its history. This success was obtained in the midst of difficult conditions in the special period, with great limitations on resources such as fuels, lubricants, etc. The [word indistinct] Fabregat, Benito Juarez, 26 July, 10 October, Proletarian Unity, Jose Rene Riquelme, Abel Santamaria, Braulio Corono, Heriberto Duquesne, and Juan Pedro [word indistinct] agroindustrial complexes stand out in Villa Clara's high sugar production. These complexes fulfilled their production plans and continue to mill cane.

Castro Sends Congratulations

FL1605010491 Havana Radio Rebelde Network
in Spanish 2300 GMT 15 May 91

[Text] Commander in Chief Fidel Castro has sent his congratulations to the people of Villa Clara for setting a crude sugar production record yesterday by accumulating 1.1 tons of crude sugar during this harvest. Jose Naranjo, chief of the Coordination and Support Staff of the president of the Councils of State and Ministers, conveyed the message to Tomas Cardenas Garcia, first secretary of the party in Villa Clara.

The people of Villa Clara reportedly delivered 1,098,434 tons during the 1981-82 harvest and surpassed the 1 million ton mark seven times, but had never reached this level considering the current shortages of fuel, lubricants, spare parts, and other supplies.

As the sugar industry workers and all the people of Villa Clara advance toward the fulfillment of the highest production plan in the country, the message sent by Commander in Chief Fidel Castro has filled them with revolutionary pride. As they overcome the special period's difficulties, the message is an incentive to continue the efforts with new energy until they deliver the last grain of sugar of this harvest's goal.

De la Cruz Meets With PRC Attorney General

FL1505114291 Havana Tele Rebelde Network
in Spanish 1000 GMT 15 May 91

[Text] The attorneys general of the PRC and Cuba have held their first meeting in Beijing, and both came out in favor of strengthening bilateral friendship and building socialism. Liu Fuzhi and Ramon de la Cruz Ochoa exchanged information about the political and economic situation of the two countries, and stressed how important it is—given the current international scene, which is marked by changes—to work for closer ties and mutual understanding. The PRC attorney general stressed as fundamental points of closeness between his country and Cuba the desire to build socialism and strengthen the role of the communist parties in each of the two countries.

Haitian Minister Praises Country's Health Care

FL1305205091 Havana Radio Reloj Network
in Spanish 1927 GMT 13 May 91

[Text] Haitian Health Minister Daniel Henrys today praised the results obtained by our country in the health field. He showed interest in promoting relations in the sphere of primary health care focusing on personnel training. Speaking to PRENSA LATINA news agency, the Haitian health minister noted the poor quality of the health care system in his country where the people have to pay for these services and the costs increase each day.

Henrys also characterized as vital the inter-Caribbean cooperation with Caribbean Common Market and other countries to break with the isolation Haiti has had for many

years. The high-level Haitian official is heading his country's delegation to the 44th meeting of the WHO which began in Geneva last week.

Caricom

Summary of Foreign Ministers Meeting

FL1505230891 Bridgetown CANA in English
1830 GMT 15 May 91

[Text] Bridgetown, Barbados, May 15, CANA—Following is a partial text of the communique issued here Tuesday night at the end of the 17th meeting of the standing committee of Caribbean Community (Caricom) [Caribbean Common Market] foreign ministers:

...The ministers observed that the meeting of the standing committee was taking place against the background of a continued rapid transformation of the international environment. This transformation is reflected in, among other things, the breakdown of the rigid bi-polar system which had been in existence for more than four decades, a global trend toward the formation and strengthening of large economic blocs, and the incorporation of environmental issues as a major element in international relationships.

The ministers also welcomed a growing shift towards multi-lateral solutions to global security issues reflecting a more enhanced role for the United Nations.

The ministers considered that these factors, among others, together created challenges as well as opportunities for small states, such as those of Caricom, and that countries such as those of the region could become a casualty of marginalisation if they do not take joint action to meet these challenges. In this regard, the ministers reviewed a number of global and regional issues and achieved considerable convergence and coordination of views on these matters.

The ministers recalled the recent challenge to the principle of the territorial integrity of states, in the Gulf Crisis, and stressed the importance of this principle for small states. They regretted the need for the use of force in the settlement of the Crisis, and reiterated their strong commitment to the principle of the peaceful settlement of disputes among states.

The ministers also recognised that tension and the potential for conflict remain in the Middle East, and restated their conviction that a solution to the problems facing that region must be based on established principles, such as the right of the Palestinian people to a homeland, the withdrawal of Israel from the occupied lands, and the right of all states in the region, including Israel, to live in peace and security within recognised and secure borders in accordance with Security Council Resolutions 242 and 338.

The ministers, in this regard, re-emphasised the need for an international conference on the Middle East,

and hoped that the present diplomatic efforts in that regard that were in train in the Middle East will be successfully concluded.

South Africa

In analysing recent developments in South Africa, the foreign ministers noted that there had been a number of positive developments. They noted, for example, that the De Klerk government, as a result of the dynamics of internal as well as international events, had moved further towards dismantling the system of apartheid. In this regard, they applauded the constructive role that the African National Congress (ANC) continued to play by engaging in dialogue with the De Klerk regime.

The ministers, however, expressed their concern over what appeared to be the undue haste by several countries to reintegrate South Africa into the international community and to terminate the regime of sanctions against that country before apartheid is completely abolished.

The ministers, therefore, re-emphasised the Community's endorsement of the decision taken at the last meeting of the Commonwealth Committee of Foreign Ministers on Southern Africa in February of 1991 in favour of the continuation of sanctions against the South African Government until practical steps towards the eradication of apartheid are taken.

Bangladesh

The ministers expressed their solidarity with the Government and people of Bangladesh at this time of widespread tragic loss of life and property occasioned by the recent natural disasters in that country, and urged the international community to respond generously and quickly to Bangladesh's urgent need for assistance in overcoming the results of the disaster.

Organisation of American States (OAS)

The ministers noted with satisfaction that following the entry into force of the Protocol of Cartagena on 10 December, 1990, Belize and Guyana were admitted as members of the OAS. They welcomed this positive development which marked the culmination of a long campaign, and expressed the conviction that both member states would contribute significantly to the furtherance of the objectives of the organisation.

They reiterated their conviction that the strengthening of the OAS was of vital importance, and that in this context all attempts should be made to resolve the financial crisis of the organisation. They also noted the interest of the organisation in the progress of democracy in the region, and in this regard noted with satisfaction the significant OAS/Caricom contribution to the elections held in Haiti in December 1990, and the organisation's contribution to the search for a peaceful solution to the problems facing Central America.

Caricom/Latin American Relations

The ministers received the report of the minister of Foreign Affairs of Jamaica, which is Caricom's representative on the Rio Group, on developments within the group since Caricom was admitted as a member.

While the ministers welcomed evidence of a substantial strengthening of relations between the Caricom Community and Latin America, they nevertheless agreed that there was need for a more structured and coordinated approach to the implementation of all decisions and agreements reached between the Community and Latin America.

The ministers noted the evolution of the peace process in the Central American region and, in particular, the recent developments towards a resolution of the internal insurgencies in Guatemala and El Salvador. They also noted the positive results emanating from the recent summit between Belize and Honduras.

Belize/Guatemala

The ministers welcomed the report of the Government of Belize on the status of its relations with Guatemala. The ministers called for the continuation of dialogue between the Governments of Belize and Guatemala and expressed the hope that the progress made in the work of the joint commission and the understandings reached would now lead to the conclusion of a comprehensive treaty to provide a just and lasting solution to the border problem between the two.

They urged the Government of the United Kingdom to support all efforts by Belize and Guatemala to develop programmes of mutual benefit to the two countries. The ministers reaffirmed their resolve to work towards continuing the regional and international support for Belize's sovereignty and territorial integrity. They agreed to render appropriate assistance to the Government of Belize in its efforts to conclude a treaty with Guatemala. They declared that an early resolution of the problem between Belize and Guatemala would facilitate the deepening of relations between the Caribbean Community and the countries of Central America.

Guyana/Venezuela

The ministers examined developments in Guyana/Venezuela relations and noted that functional and economic cooperation between the two states continued to expand, especially in the important areas of energy, health, education, and trade. They agreed that this situation augured well for the overall bilateral relationship between the two states.

On the specific question of the border controversy which Venezuela has with Guyana, the foreign ministers registered their appreciation of the work of the 'Good Officer,' Alister McIntyre, and noted that the secretary general of the United Nations had received a report from representatives of the two states on April 5, 1991.

Having considered these and other facts of this issue, the ministers of foreign affairs reaffirmed their support for the sovereignty and territorial integrity of Guyana.

Haiti

In reviewing Caricom's continuing relationship with Haiti, ministers reiterated their expectation that the recent electoral success in Haiti would serve as a catalyst to strengthen democratic processes and encourage economic development.

The ministers received the report of the senior electoral officials who had coordinated Caricom's delivery of assistance to the Haitian Provisional Electoral Council and expressed satisfaction at reports of the observers' positive contribution to the Haitian electoral process in collaboration with the Organisation of American States (OAS).

The ministers also received a report on the technical mission of the Caricom/Rio Group which had visited Haiti 2-4 April 1991, under the leadership of Minister Ben Clare of Jamaica, and they reaffirmed the commitment of Caricom governments to support, within their means and in close collaboration with other international organisations and financial institutions, requests from the Haitian Government for technical and development assistance.

Situation in Suriname

The ministers considered the question of the evolution of events in Suriname, and analysed the developments attaching thereto.

The ministers recalled the position taken at the February 1991 meeting of the Conference of Heads of Government deploring the use of military coercion and pressure to bring about a change in the administration in Suriname.

They took note of the arrangements being put in place for the conduct of elections in May this year and the participation of Caricom observers at these elections. They expressed the hope that the outcome of the elections would facilitate resolution of the problems which confront Suriname.

Coordination of External Representation

The ministers noted that this issue encompasses a whole spectrum of challenges and possibilities for Caricom countries in the overall field of coordination of external representation, and recalled that this has been engaging their attention for some time now.

They recognised that there are problems as well as benefits inherent in any system of joint external representation, but agreed that it was imperative for new impetus to be given to this issue in view of the dynamic international political and economic circumstances prevailing, and the increasing financial and human resource constraints facing Caricom member states.

The ministers decided that action should be taken as a matter of urgency to make arrangements for joint or coordinated representation in the Far East, and to that end agreed to the establishment of a working group to develop concrete proposals on this matter, among other things, for the consideration of the Community.

International Political Environment

The ministers reviewed the continuing developments consequent upon the changing relationship between the superpowers, and noted that the welcomed stabilisation of the international political climate was accompanied by dynamic and fundamental changes in international relations, which were marked by an increasing tendency towards blocs and the consolidation of groupings at the regional and sub-regional levels.

They reflected on the implications of these developments for small states such as those in the Caribbean Community, and reiterated their commitment to ensuring that Caricom maintained its position in the international community of nations through increased coordination.

The ministers also reviewed developments in the critical problems of illegal drug trafficking, and the degradation of the environment which, while being of concern to the international community, had a particularly debilitating effect on small-island Caribbean states, and pledged their commitment to participating effectively and with increased coordination, along with the other members of the international community, in seeking creative ways to resolve these problems. In this context, they paid particular attention to the upcoming United Nations Conference on the Environment and Development scheduled to be held in Brazil in 1992.

The ministers also reaffirmed their commitment to human rights, and reiterated their continuing concern at the situation in South Africa. In the latter regard, the ministers expressed their concern that the removal of sanctions with undue speed might delay rather than hasten the process of the dismantling of apartheid.

The ministers noted that despite the steady decrease in the level of available resources, the demand for international finance is likely to intensify during the current year as new claimants arise in the aftermath of the Gulf War and from the effort at economic reconstruction in Eastern Europe. In this context they took note of the establishment of the European Bank for Reconstruction and Development with its broad support from the donor community.

In relation to the EAI (Enterprise of the Americas Initiative), ministers noted that the Community was coordinating its response on a regional basis and in consultation with Latin America. The meeting noted that the interlocutory group established by the Heads of Government had submitted a draft trade and investment framework agreement to the administration of the

United States for negotiation. The ministers acknowledged the importance of continuing dialogue between Caricom states and their hemispheric neighbours in the U.S.A. and Canada, to the mutual benefit of the people of these countries.

International Economic Issues

The ministers, recognising that the economies of Caricom member states are closely intertwined with the rest of the global economy through such links as international trade in goods and services, energy and capital goods, tourism services, finance, investment and technology, migration, and a shared physical environment, reviewed a range of current issues in the international economy with major significance for its members.

The ministers noted the marked slowdown in the rate of growth of the countries of both the industrialised and developing countries. They concluded that the prospects for most commodities, including the major commodities produced in Caricom—sugar, bauxite and alumina, and oil—were not good.

The ministers expressed the hope that efforts to reactivate the Uruguay round of multilateral trade negotiations would not only be successful, but that the processes would be open and ensure the balancing of the interests of all countries.

With regard to the debt burden of developing countries, the ministers welcomed the three new proposals for easing the debt burden which emerged in 1990—the British proposal known as the Trinidad and Tobago Terms; the proposal by the Netherlands Development minister; and the debt element of President Bush's Enterprise for the Americas Initiative (EAI). They expressed the hope that these initiatives would be made operational in the shortest time. The ministers, however, remained concerned that no proposal had emerged from the donor community, to treat the debt to the multilateral financial institutions, which is of major concern to several Caricom countries.

Environment

In considering the issue of the environment, the ministers of Foreign Affairs emphasised the need on the part of Caricom states for adequate preparation to ensure their effective participation in the United Nations Conference on the environment and development which is scheduled to convene in Brazil in 1992.

In this context, ministers expressed the view that the preparatory meetings held in Trinidad and Tobago, Jamaica, and Mexico, as well as the recently concluded meeting of the governing council of UNEP [United

Nations Environmental Protection] in Nairobi, constituted a significant beginning to the process of preparation. The ministers also observed that in advancing such preparations account must be taken of the following.

—The particular perspectives of the individual member states, especially small island states of the Community; the necessary link between the environment and development; the seminal role of the non-governmental organisations in this matter; and the possible impact of the north/south differences on the overall need for balanced decisions, treaties, conventions, and agreements on the environment. The ministers agreed on the importance for all member states making arrangements for effective participation in the remaining preparatory process and the UNCED [expansion unknown] itself.

The ministers also took note of the critical importance of climate change and the Climate Change Convention, and urged the effective participation of the Caricom states in the negotiations for that convention.

Drug Trafficking and Abuse.

The ministers noted that the issue of drug abuse and drug trafficking continued to be one of grave concern to the countries of the region. They reaffirmed the need to maintain and strengthen cooperation in this area in a continuing effort to intensify the fight against the use and trafficking in illicit drugs.

In this regard, the ministers noted the continuing work taking place under the regional drug programme and urged greater collaboration among the countries of the Caribbean Community towards the realisation of the objectives of the programme.

The ministers reviewed developments in the international anti-drug campaign over the past year and expressed the Community's recognition of the need for continued and increased international cooperation and collaboration at all levels in addressing the problems of drug trafficking and abuse.

In this regard the ministers took particular note of the mandate emanating from the seventeenth special session of the United Nations General Assembly (UNGA) on drugs, authorising the United Nations secretary general to select a small group of experts to assist him in identifying ways of enhancing the efficiency of the UN's structure for drug abuse control. Experts from Caricom member states participated actively in the work of the group.

The ministers noted that based on the recommendations of the group of experts, the UN had restructured the international institutional arrangements for dealing with the drug programme by combining existing institutions, including the United Nations Fund for Drug Abuse Control (UNFDAC) and the UN Division on Narcotic Drugs, into a single entity in Vienna headed by an undersecretary general with an increased staff.

The ministers reconfirmed their acceptance of the offer of the Government of the Bahamas to host the eighteenth regular meeting in Nassau in May 1992.

Foreign Ministers End Talks

*FL1505182691 Bridgetown CANA in English
1617 GMT 15 May 91*

[Text] Bridgetown, Barbados, May 15, CANA - Caribbean Community [Caricom] foreign ministers ended talks here Tuesday night, announcing plans to work for a regional presence in the Far East and Caricom representation on 22 international bodies.

"The results of this particular meeting have certainly given us a very sound and solid basis both for consolidating things that were already in train as well as making fresh advances in new directions," Caricom Secretary General Roderick Rainford said at the end of the two-day meeting here.

The 17th meeting of the standing committee of foreign ministers agreed to set up a working group to propose mechanisms for joint Caricom presence in the business and financial centres of the Far East.

Chairman of the meeting, Barbados Foreign Minister Maurice King, said the working group should make a report for the July Caricom summit in St. Kitts. The group is also mandated to propose coordination of other aspects of external representation.

The ministers also identified Caricom candidates to be backed for seats at 22 international organisations and agencies, effective immediately, in the case of some seats being contested this month.

On Caricom-Latin America relations, King said the ministers recognised a need to streamline the community's approach to ensure that growing contacts are "exploited to the full advantage of Latin America and the Caribbean," but felt a deeper relationship with Cuba will be difficult until apparent Cuban reservations about Grenada are cleared up.

King said that in the wake of a Caricom mission to Cuba, in co-operation and collaboration with Havana, the meeting brought under focus Cuba's revival of a case against Grenada in the Grenadian courts contrary to expectations given to Caricom member states.

The meeting, held against the background of Caricom agreement on the need for widening the community, saw "clear and positive areas" in which Caricom-Latin American contacts have been opening up. "It was a significant meeting, it was a solid meeting, where a lot of house-keeping matters were effectively dealt with," King said.

Rainford said the region could be satisfied that some "solid" results came from the meeting, which opened expressing the urgency of joint action to avoid marginalisation in the movement towards large economic blocs and greater multilateralism. "It is now a well-established part of the work of this forum... to rationalise, streamline, orchestrate our collective effort to achieve effective

representation of the community and of the community's interest as a whole in the myriad international bodies in the international community," Rainford said.

"One of the important areas of work accomplished here is the agreement we reached.... on how we're going to go forward, over the time span of the next two to three years in some cases, in ensuring and promoting adequate Caricom presence in some of these international organisations," Rainford added.

The action to contest seats on 22 international bodies was "a solid area of achievement," he remarked. "For new advances, the matter of joint or co-ordinated representation in the Far East I think is an important new ground broken by this meeting," the secretary general said. "This is the first time we're coming to the point where we have an official community resolution and mandate to go forward with this matter, and not only that but agreement on the exact mechanism.... starting with something which we hope we can prepare in time to get to the heads of government, but extending beyond that," he added.

The working group will have open membership, with Barbados, Guyana, Jamaica, Trinidad and Tobago and the Organisation of Eastern Caribbean States (OECS) initially identified as contributors.

The 22 international bodies where Caricom candidates will be supported include the United Nations educational, scientific, and cultural organisation's executive board, the UN commission on narcotics drugs, the International Maritime Organisation (IMO) council, the international law commission, and International Research and Training Institute for the Advance of Women (INSTRAW).

Ministers Agree on Order, Disaster Relief

FL1505131091 Bonaire Trans World Radio
in English 1130 GMT 15 May 91

[Text] Caricom [Caribbean Common Market] foreign ministers have wound up a two-day meeting in the Barbadian capital Bridgetown. The ministers agreed on an order of Caricom, which confers special rights on prominent regional figures. They also agreed in principle on a disaster relief program, but the specifics of that program may be the subject of more debate. All agreements require approval of every Caricom member state to be enacted, and there seems to be wide areas of disagreement on many international issues. A final declaration expected today may clarify Caricom's position on a number of these.

Havana Urged To Recognize Grenada Government

FL1505235991 Bridgetown CANA in English
2225 GMT 15 May 91

[Text] Roseau, Dominica, May 15, CANA—The just concluded Caribbean Community (Caricom) [Caribbean Common Market] foreign ministers meeting in Barbados

decided not to forge closer ties with Cuba until Havana ensures full recognition of Grenada's government, says Dominica's foreign minister, Brian Alleyne.

"We have taken a very unified position on that, that if Cuba wishes to obtain the support and the full recognition of Caricom, and a deepening of the relationship—then they must first show their own respect for the Caricom region," Alleyne told CANA [CARIBBEAN NEWS AGENCY] on his return here Wednesday.

He said Havana should act 'by fully recognising the government in Grenada, acknowledging its legitimacy and taking certain other steps which had been indicated that needed to be taken, at which time Cuba's position can be reconsidered.' Alleyne said until that is done, Caricom will have a certain attitude towards Cuba.

Cuba was a staunch ally of Grenada's 1979 to 1983 revolutionary government which was deposed by a U.S.-led invasion. The Fidel Castro government did not recognise the interim administration in Grenada, but has somewhat eased its position since an elected government came to power in St. George's.

Alleyne commented favourably on decisions taken by the Caricom foreign ministers to enhance joint representation overseas, especially in Japan, and possibly Brussels.

Alleyne contends that while it is clear Caricom is not yet ready for any level of political unity, the need for member states to work much more closely is clearly recognised.

"What we have done is seek to introduce modalities whereby our foreign policy, instead of each of us going in our own direction, and none knowing what the other is doing, that we should work much more closely together," Alleyne said.

Basdeo: 'Guyana's Future Is Caricom's Future'

FL1405021591 Bridgetown CANA in English
2040 GMT 13 May 91

[Text] Bridgetown, Barbados, May 13, CANA—Trinidad and Tobago's foreign minister Dr. Sahadeo Basdeo has said the Caribbean Community (Caricom) has a direct interest in elections due by year end in Guyana.

"I have said that and I continue to say it, Guyana's future is Caricom's future and whatever takes place in that country will reflect on us here in the region," he told CANA on Monday.

Guyana's President Desmond Hoyte ruled out separate Caricom observers at the elections, after Caricom leaders opted to participate through a mission Hoyte invited the Commonwealth to mount. Hoyte also invited a second observer team, from the Carter Center of the United States, in response to opposition claims of past irregularities.

Basdeo, in Barbados for a Caricom foreign ministers' meeting this week, told CANA he hoped a definitive Caricom statement could be made in due course on participation in the Commonwealth observer mission.

'There have been some up's and down's, in that the negotiations being conducted between the Caricom secretariat and the Commonwealth secretariat have so far not positively materialised, and one would hope that in due course we will be able to make a much more definitive statement as to our involvement and the extent of our involvement in the Commonwealth mission.'

Basdeo expressed confidence of regional readiness to give whatever help possible to the Guyanese government and people 'in order to ensure the people of the world look upon us as perhaps a true bastion of democracy in the Western Hemisphere.'

Caricom participated in the past year in an observer mission at elections in Haiti and will participate, through the Organisation of American States (OAS), in observing elections later this month in Suriname.

Inter-Caribbean Affairs

Carib Rights May 'Open Floodgates'

FL1605020891 Bridgetown CANA in English
1855 GMT 15 May 91

[Text] Roseau, Dominica, May 15, CANA—St. Vincent and the Grenadines opposition politician Dr. Ralph Gonsalves says a call by Dominica's Carib population for a representative on the Regional Constituent Assembly [RCA] is not unreasonable. But he says it may lead to disparity in terms of the number of representatives each Windward Island has on the RCA which is a broad-based body to advance the political union of Dominica, St. Vincent and the Grenadines, St. Lucia, and Grenada.

The Caribs, with their own reserve, chief, and member of Parliament, say they deserve no less than direct representation on the Assembly, and have criticised a government move to give their chief observer status at the next sitting of the RCA, scheduled for Dominica.

Gonsalves told CANA [CARIBBEAN NEWS AGENCY] from his office in Kingstown, that he is worried that acceding to that wish may open floodgates for other minorities and groups.

'One of the difficulties that you are going to have is that each island would have to amend the RCA act to include that particular provision,' Gonsalves said. 'It means therefore that what will happen is that the state of Dominica will have 12 representatives, whereas the other islands will have only 11, and one of the things which you have to start with first of all is parity between the islands,' he noted.

He is suggesting that the Caribs can use their influence at the next sitting of the RCA by getting Carib delegates to represent some of the interest groups already represented on the Assembly, to allow them to focus on special Carib interests.

'You can have the youth representative, or maybe the women's representative, or the farmers' representative being somebody from the Carib community. The internal dynamics of the politics in the country can facilitate that, and they can articulate their position at that next meeting,' Gonsalves explained.

Grenada Finance Paper Presented to ILO

FL1505195291 Bridgetown CANA in English
1717 GMT 15 May 91

[Text] Port-of-Spain, Trinidad, May 14, CANA—Grenada has blamed 'political, technical, and administrative' difficulties for the failure of its fiscal and economic reform programme which aimed at putting the island on a positive growth path.

A Grenada Ministry of Finance paper, on countering the 'negative social impact of structural adjustment,' said if the reform programme had succeeded, a viable fiscal regime would have emerged in an environment of economic growth and expanding employment.

The paper, presented at an International Labour Organisation (ILO) conference here, said the political, technical, and administrative difficulties resulted in the fiscal situation being still weak, and the economy losing much of its buoyancy. The measures, which served to cushion the negative social impact, were not devised as 'part and parcel' of the programme, the Ministry paper said.

'They were measures needed to help push the economy forward. The role of cushioning was therefore secondary.' However, it said the reform programme did not have any widespread and far-reaching negative social impact.

The ILO-sponsored 'roundtable' conference has as its theme, 'structural adjustment and employment issues' and is being attended by various regional delegates. Although Grenada has not experienced a full-fledged structural adjustment programme, during 1986-1987, a programme of fiscal and economic reform, containing elements of a typical structural adjustment programme, was undertaken. The overall objective of the programme was to create a fiscal regime that both contributes and responds to economic growth. The government saw its active involvement in economic activity as a 'fetter' on economic growth.

Higher economic growth and increased employment were targeted through a policy of liberalisation and privatisation, and generous incentives and concessions were awarded to investors, both local and foreign, to establish businesses in the island.

As part of its fiscal reform package, the tax structure was dismantled to provide for stronger and faster growth, and to have higher revenue yields. Out of 22 taxes, 19 were repealed, including pay-as-you-earn (PAYE), and replaced by four new ones, including a value-added tax.

The public service was also reduced, but according to the paper, the retrenchment programme failed to make any significant impact on the size and effectiveness of the public service.

Economist on Economic Recovery Programs

*FL1505120791 Bridgetown CANA in English
2305 GMT 14 May 91*

[Text] Port-of-Spain, Trinidad, May 14, CANA—Dennis Pantin, a senior lecturer in economics at the University of the West Indies, on Tuesday took a crack at the economic recovery programmes offered by the International Monetary Fund, the World Bank, and the Inter-American Development [IDB]. Pantin told a meeting here on structural adjustment and employment issues sponsored by the International Labour Organisation:

"Current macro-economic policy is essentially based on an acceptance of the classical structural adjustment package of the IMF, World Bank, and more recently the IDB.

"...The theoretical and empirical evidence is overwhelming in its conclusion that this laissez-faire economic package of the Washington institutions does not lead to economic progress."

He said the most "telling evidence" was not in the "undoubtedly" negative social implications "but was in the dramatic fall" in aggregate investment and what he described as an increasing "bias" away from productive activities.

Trinidad and Tobago's Prime Minister A.N.R. Robinson told the gathering on Monday that a deepening and extension of the integration process to include the wider Caribbean and Latin America would assist Caribbean economies. He described as important "regional co-operation with a view to penetrating external markets, resolving financial problems, linking up purchases and sales capacities, deriving benefits from economies of scale" and ensuring "that adequate sustainable employment opportunities are generated over the medium and longer term."

He said "a deepening and extension of the integration process to include the wider Caribbean and Latin America are a necessary step."

Dominica

Trade Minister on Competiveness of Exports

*FL1405134391 Bridgetown CANA in English
2159 GMT 13 May 91*

[Text] Roseau, Dominica, May 13, CANA—Dominica's Trade Minister Charles Maynard, warning of strong

pressures on Caribbean Community [Caricom] [Caribbean Common Market] exports to the United States, has said the region must make efforts to maintain its position in the U.S. market.

"There are all kinds of problems that we face in this business of trade.... that is why we need to put together our efforts, plan our efforts, put our strategies together," he told the opening of a four day agricultural export marketing seminar here Monday.

The seminar, a Caricom-Dominica Export Import Agency (CEXIA) initiative, is intended to improve exporters' marketing and problem solving ability to help promote regional and extra regional market penetration. Maynard said knowledge is the key to success and urged exporters to be aware of the competition and market requirements, among other factors.

According to the trade minister, products from developing countries like Dominica and other Caribbean nations receive unfair treatment in the U. S. market, with health concerns being used against products made from such tropical commodities as coconuts and cane sugar.

"Plant health is a famous non-tariff barrier to make sure that the product doesn't come in," Maynard said.

"All of a sudden sugar is not good for you.... Incidentally, they're saying that beet sugar is all right. It's cane sugar that's bad. And who produces the cane sugar? And who produces the beet sugar? These are facts that we must understand and recognise.

"It's happening under our very noses and we are not realising it," Maynard said.

Dominican Republic

Doctors Warned Not To Provoke Government

*FL1505142791 Santo Domingo Cadena de Noticias
in Spanish 0930 GMT 15 May 91*

[Text] The Dominican Medical Association [AMD] is continuing to make serious efforts to maintain its struggle for salary increases as long as is necessary. The AMD has opened its loan fund to striking doctors through its multi-service cooperative so the doctors can continue their struggle without receiving their public health service and social security payments. Doctor Altagracia Guzman, the president of the AMD, renewed her warning that the fight to improve salaries and health care services will be intensified. With the money loaned from the AMD multi-service cooperative, the strikers will be able to buy food at reduced prices from firms that are in solidarity with the striking professionals. Altagracia Guzman promised that the doctors will continue their fight for a 100 percent salary increase.

The AMD has been warned that it would be playing with fire if it gives its strike a political character. The warning

was made by the economic advisor to President Balaguer, Juan Jose Arteaga, who warned the AMD officials that they should not provoke the government. He maintained that there could be political influence behind the doctors' strike to gain higher wages and improve medical services.

Juan Jose Arteaga, who is constantly on the watch for actions against the government, added that if the Ministry of the Interior and the Police were to give the AMD permission to march and they were to leave the approved route, that would be giving the strike a political character. Juan Jose Arteaga warned the AMD that they would lose their fight if they gave it a political character.

Italian Development Aid To Be Expanded

FL1305180591 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 13 May 91

[Text] The Italian Government is making multimillion-dollar investments in this country in the form of financial aid for numerous social development programs. This information was given by Ambassador Roberto Rosellini during an appearance on commercial television. The diplomat promised that Italian aid would be expanded. The Italian ambassador to the Dominican Republic quoted the amount of \$140,200,000 as his country's basic investment in the Dominican Republic. Rosellini mentioned the recent disbursement of \$43,600,000, which has been invested in the Jigüey-Aguacate hydroelectric complex. He also explained that his country is sponsoring about 28 projects, mostly in infrastructure development. He insisted that more sustained investment is being considered. Roberto Rosellini asserted that circumstances permitting, the Jigüey-Aguacate project would be completely finished next year. This project is a multiple-use hydroelectric system.

Haiti

Aristide, Preval, Parliamentarians Confer

FL1605003691 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 15 May 91

[Text] The president of the National Assembly, Senator Eudrice Raymond, has officially closed the first session of the 45th Legislature. Following the ceremony, President Aristide and Prime Minister Rene Preval remained to carry on a discussion with the deputies and senators at the National Palace. The parliamentarians expressed their concern about the future of Haiti.

Following the meeting, the parliamentarians were invited to dinner.

Aristide Donates Paycheck to Citizens Groups

FL1605012291 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 15 May 91

[Text] The Information Ministry advises that the president of the country, Father Jean-Bertrand Aristide, has donated his April paycheck to southern citizens groups to help those organizations prepare for the literacy program which will begin soon in the country.

The president reminds the youth of the southern organizations: Stand fast; victory belongs to those who are organized.

COPPPAL Pledges Support to Haitian Democracy

FL1605014491 Port-au-Prince Radio Metropole in French 1600 GMT 14 May 91

[Text] The Permanent Conference of Latin American Political Parties [COPPPAL] announced its decisions regarding Haiti during a meeting held in Venezuela on 10 May. In a press release issued yesterday, CONACOM [expansion unknown], a member of COPPPAL, indicated that the international economic relations permanent commission of this organization pledges its support to the people's efforts and to the Haitian democratic parties in their attempts to consolidate the democratic institutions provided by the Constitution, and to satisfy the demands for social justice within the most disadvantaged sectors. To that end, the COPPPAL is soliciting the party's members to intervene with the government to expedite Haiti's integration process into the Caribbean and Latin American community, and in the establishment of common programs of economic, financial, and cultural cooperation with the Haitian Government.

It is asking the COPPPAL to arrange for a group of cooperative consultants able to assist Haitian economic institutions, and urges the Latin American governments to find a way to bring urgent assistance to the Haitian Government for a solution to the hunger problem in the northwestern part of the country. COPPPAL also asks the Latin American Parliament to provide all possible assistance to the young Haitian Parliament to aid its admittance into the Assembly, and to help it fulfill its constitutional functions under the best conditions.

Jamaica

Manley Seeks Debt Relief for 'Entire Caribbean'

FL1505135491 Bonaire Trans World Radio in English 1130 GMT 15 May 91

[Excerpt] Jamaican Prime Minister Michael Manley is in Washington for a meeting with U.S. President George Bush. The 67-year-old Caribbean leader wants debt relief for his country; however, he is also exploring the possibility of expanding that to include the entire Caribbean. The Jamaican prime minister told reporters in Washington that other Caricom [Caribbean Common Market] leaders had encouraged him to do so on their behalf. Mr.

Manley also said he supports the U.S. move toward a free trade zone with Mexico. However, St. Lucian Prime Minister John Compton is opposed to that. He told reporters in Toronto the effect of such an agreement on the Caribbean would be negative, at least in the short term. [passage omitted]

Minister of State Explains IMF, IDB Meetings

FL1605022391 Bridgetown CANA in English
2149 GMT 15 May 91

[Text] Washington, May 15, CANA—Jamaica hopes to enter into a new programme with the International Monetary Fund (IMF) later this year as well as receive an investment sector loan from the Inter-American Development Bank (IDB) as the government seeks to successfully complete the process of reforming the Jamaican economy, a government minister said.

Discussions on both the IMF programme and the IDB loan featured significantly during separate meetings held Tuesday between officials of the two multilateral lending agencies and visiting Jamaica Prime Minister Michael Manley, his minister of state, Dr. Peter Phillips told CANA [CARIBBEAN NEWS AGENCY].

Phillips said that Manley discussed a number of new programmes and projects with IDB officials in addition to reviewing the country's economic performance and reforms. He did not identify the projects for which Jamaica is seeking funding nor did he disclose the size of the proposed loan. Phillips said that Jamaica was, however, seeking to have the size of the loan increased. In the case of the IMF, Phillips said not only was Jamaica seeking new money through a new stand-by agreement, but "We hope the IMF programme will serve as a stamp of approval for attracting money from other sources."

"We are hoping we could have this new stand-by programme with the fund sooner rather than later. We passed the March targets and we need to get some new money to complete the reform process. We are close to the end of that reform process, but we have to be careful that we don't rush to complete it and in the process undo what we have achieved so far," Phillips said.

The minister said the Enterprise of the American Initiative was the main focus of discussion between Manley and certain key members of the U.S. Congress. Manley expressed the Caribbean's support for the concept of free trade, as well as its concerns about debt repayment.

Phillips told CANA the Caribbean "can't hold back the wave regarding trading blocs, and so we must make the necessary adjustments so that we can meet the challenges of wider markets. We have got to make our production competitive."

He said Manley had indicated to the members of Congress with whom he met that the region was well aware it could not stand still while the drive towards expanded trading blocs was well on its way.

Justice Minister: Republican Status Reported

FL1305145791 Bridgetown CANA in English
2157 GMT 11 May 91

[Text] Port-of-Spain, Trinidad, May 11, CANA—Jamaica is pursuing constitutional reform involving a switch to republican status, a senior minister said here. "We think the time has come to repatriate to our own country ... the symbols of sovereignty, and therefore we should have our own head of state," Justice Minister Carl Rattray told CANA on Saturday.

He added, "With all due respect, the monarchy has played its role; we think it's time now to sever the umbilical cord and have our own head of state in Jamaica."

Rattray, who is attending a conference in Port-of-Spain, is also head of the joint select committee of parliament which will focus on constitutional reform. The government recently announced a major review of the country's constitution which includes the change from independent monarchy within the British Commonwealth to republican status.

Rattray, also the island's attorney general, believes Jamaicans are heavily in support of it. He, however, said attaining republican status was not foreseen in the very near future. He said this was because of disagreement over whether there should be a ceremonial or executive president and the method for choosing the president. "Our hopes that we would have had the republic in a very short time are not going to come true," he said.

Economy Grows by 3.8 Percent in 1990

FL1005220591 Bridgetown CANA in English
1936 GMT 10 May 91

[Text] Kingston, Jamaica, May 10, CANA—The Jamaica economy grew by 3.8 per cent last year, according to Finance Minister P. J. Patterson. The growth was in spite of "adverse external shocks," Patterson told Parliament during Thursday's budget presentation.

Growth was attributed to "significant" increases recorded in agriculture (11.8 per cent) and mining (17.6 per cent) as well as a 4.1 per cent growth in manufacturing.

Net international reserves improved by U.S. \$70.8 million dollars, against a deterioration of U.S. \$170.4 million dollars in 1989.

Imports grew by 1.7 per cent to reach J1,850.7 million dollars in 1990 while exports rose by 14.2 per cent to U.S. \$1,140.2 million dollars in 1990.

The public sector deficit was reduced to 3.3 per cent of Gross Domestic Product [GDP], from 6.4 per cent in 1989, Patterson reported.

The debt service ratio fell from 34 per cent of GDP in 1989 to 26.4 per cent.

Jamaica's total public debt, Patterson said, amounted to U.S.\$4,152.41 million dollars at the end of 1990. This represented an increase of U.S.\$114.0 million dollars or 2.8 per cent on the 1989 figure.

Turning to employment, the finance minister said that while nominal wages increased by more than 15 per cent in 1990, the level of increase in the consumer price index (29.8 per cent) forced a six per cent drop in real wages. The rate of unemployment declined from 18 per cent to 15 per cent last year although the "job-seeking rate" fell from 9.4 per cent to 6.9 per cent during the year.

On the foreign exchange cash budget, Patterson said that of the U.S.\$1,664.5 million dollars available, U.S.\$645.45 was used to pay the public debt, U.S.\$252.7 million dollars for oil, U.S.\$272.97 million dollars for auction payments, U.S.\$77.3 million dollars for government imports, and U.S.\$49.14 million dollars for servicing national export-import Bank of Jamaica lines of credit.

The Central Bank, he said, was projecting foreign exchange inflows of U.S.\$1,357.9 million dollars this financial year.

The government announced that it will issue a medium term stock of three year maturity to provide additional opportunities for investors. This issue will bear a fixed rate of 20 per cent with no redemption options. This latest issue comes after over-subscription of short-term treasury bills and Bank of Jamaica certificates of deposit which attract interest rates of just under 30 per cent.

Work, Catterson said, was continuing on new legislation to deal with the island's financial sector.

On interest rates, the minister admitted that they had been high (nearing 40 per cent) and he recognised the adverse effects on production. He added that the policy had not done what it was supposed to do and very little new savings had come in while the exchange rate had been sliding. Consequently, a deliberate policy had been taken to reduce interest rates by removing credit ceilings, dropping non-cash requirements of the liquid asset ratio, separating para-statal from government securities auction and forcing them to be rate takers, Patterson reported.

On inflation, Patterson said the government hoped to reduce substantially the level of inflation during the year.

The government, he said, will intensify its privatisation programme this year and hopes to raise U.S.\$26.988 million dollars from the sale of two northcoast hotels, Mallards Beach and Americana hotels. The proceeds of the sale, he said, will be used to clear debt the government incurred when the hotels were acquired in the 1970's.

Montserrat

CDB Forecasts Sustained Growth for Island

FL1405170491 Bridgetown CANA in English
1640 GMT 14 May 91

[Text] Plymouth, Montserrat, May 14, CANA—Construction activity is expected to help sustain strong economic performance in Montserrat this year, the Caribbean Development Bank (CDB) forecast in its annual report.

Post-hurricane reconstruction activity in 1990, combined with increased investment and fiscal management to push growth in the economy to at least 10 per cent, after 10.1 per cent growth in 1989. The CDB said economic activity in 1991 should remain at a relatively high level as reconstruction activity continues and as the government's Plymouth port jetty project comes on stream. Strong performances are also expected from tourism, and from off-shore financial services rebounding from a marked slowdown in 1989.

The CDB's review of Montserrat's performance follows:

"Continued reconstruction efforts following the 1989 hurricane (Hugo), increased investment, and improved fiscal management contributed to a strong growth performance in 1990. It is estimated that real growth remained in double digits in 1990.

"Inflation had begun to subside by the third quarter of 1990 when the crisis in the Gulf led to increased fuel and other import prices. This, together with an increase in indirect taxes pushed the retail price index to 6.8 per cent by year end.

"The economy continued to experience full employment and reconstruction activity was sustained through the use of imported labour, mainly from other Caricom countries and the UK.

"In the agriculture sector, production of short-term crops such as sweet potatoes, white potatoes, and cucumbers for domestic consumption was restored to pre-hurricane levels. However, long-term investment in the sector is still inadequate to remove infrastructural bottlenecks, including weak marketing and distribution systems, to the development of agriculture in Montserrat.

"As a result of the time lag needed to restore livestock production, the livestock industry remained below potential in 1990. On the other hand, increased investment in deep sea fishing has led to increases in the volume of fresh fish. Movement away from concentration on inshore fishing and revised legislation are allowing the rebuilding of inshore marine resources.

"In the tourism sector, the hotel industry was set back by the destruction caused by the 1989 hurricane. Nevertheless, and although data is unavailable, indications are that stopover visitors in 1990 were substantially higher than arrivals in 1989.

"Commercial bank deposits rose by 7 per cent to 47 million dollars (U.S.) between December 1989 and September 1990. In contrast, loans and advances grew by 56 per cent to 30 million dollars over the same period. These increases were associated with the settlement of insurance claims following the hurricane and the increased demand for credit to finance the restoration of private property and the replacement of consumer durables damaged by the hurricane. Interest rates remained stable during the first nine months of the year.

"The Government of Montserrat budgeted for a current surplus of 0.6 million dollars (U.S.) in 1990 to be attained mainly through a reduction in expenditure. Nevertheless, in 1990 public servants were awarded a 25 per cent salary increase payable over two years. Additionally, for the second successive year, the government increased the standard deduction for exemption from income tax payments to 2,593 dollars from 2,222 dollars.

"Economic activity in 1991 is expected to be sustained at a relatively high level as reconstruction activity continues. The government plans to begin construction of the new Plymouth port jetty during the year.

"Activity in tourism and off-shore financial services are also expected to be strong, the latter rebounding from a dramatic slowdown in 1989." (ends).

St. Vincent and the Grenadines

Justice Minister on Free Enterprise System

*FL1405120791 Bridgetown CANA in English
2058 GMT 13 May 91*

[Text] Kingstown, St. Vincent, May 13, CANA—St. Vincent and the Grenadines' Justice Minister Parnell Campbell has hailed the free enterprise system as the only one that has a proven track record of delivering economic, social, and political benefits especially to Third World countries. Speaking at a seminar in Kingstown for delegates of the Caribbean Democrat Union [CDU]—a grouping of conservative parties—Campbell said experience and time have proven that countries that fashioned their economic system from the Marxist/

Leninist ideology have had to abandon their policies because of failure to improve the lot of the people.

"The practise has been that human suffering has increased, human rights and freedoms have been whittled away, productive capacities have dwindled, shortages of basic foodstuffs and the most elementary needs of the population has been endemic, human misery has increased generally in practically all the countries that have followed the Marxist/Leninist ideology."

However, Campbell also pointed out that naked capitalism has also been unable to provide any success stories. "I would like to say that we have no spectacular examples of unbridled capitalism that have made their mark."

He said there are certain occasions when the state must intervene through price controls and other measures to ensure the welfare of groups such as the aged, disabled, women, and the youth. He said this points to a need for co-operation between the private and public sector in economic development, and suggested controlled capitalism is the model which would best work. He said this is the model that the governments whose parties make up the CDU have been practising and which other countries in the international arena are now implementing.

The justice minister was also critical of the news media for failing to question the philosophy of Caribbean personalities who once championed the cause of communism in the region now that that system has been discredited. He said the media continued to label CDU parties right-wing but has failed to put once hardline communist exponents on the spot.

Trinidad and Tobago

President Robinson Addresses Labor Conference

*FL1405145391 Bonaire Trans World Radio
in English 1130 GMT 14 May 91*

[Text] Trinidad and Tobago President A.N.R. Robinson was speaking at an international labor conference organized by the International Labor Organization. He called for regional planning on economic matters and a major transformation of the region's economy. Strong on the unity theme, Mr. Robinson said survival of the Caribbean economies are at stake.

U.S. Envoy's Note on Trade Treaty Scored

PA1605030991 Hamburg DPA in Spanish 2220 GMT
15 May 91

[Text] Mexico City, 15 May (DPA)—The Mexican authorities today voiced their displeasure with statements made by U.S. Ambassador John Dimitri Negroponte, who said that signing a bilateral free trade treaty "would institutionalize U.S. approval" ["institucionalizaria la aceptacion estadounidense"] of Mexican foreign policy. [sentence as received]

The Foreign Secretariat rejected the statements and called them "unacceptable," while Foreign Secretary Fernando Solana said that Mexico "will not let foreign interests meddle—under the pretext of an internationalization—in affairs about which only the Mexicans have the right to decide."

Negroponte's statements, included in a confidential memorandum to Assistant Secretary of State Bernard Aronson, were revealed by the magazine PROCESO.

The Foreign Secretariat said it considers "absurd any assumption" about an eventual change in Mexico's foreign policy as a result of the possible signing of a free trade treaty with the United States and Canada. "Under no circumstances will Mexico allow negotiation of its foreign policy," the official communique emphasized.

In his memorandum to Bernard Aronson, whose credibility was not denied, Negroponte also said that Mexico is about to "dramatically change the substance and image of its foreign policy," from "an ideological, nationalist, and protectionist outlook" to a "more pragmatic and open," outlook.

He added that, in addition to its rejection of a "Third World demagogy" for a "responsible internationalism," the Mexican Government was reforming and opening its economy to foreign investments and competition.

Negroponte's statement caused bitter protests in Congress, where opposition deputies urged the Foreign Secretariat to demand an explanation from the U.S. Embassy.

El Salvador**FMLN To Continue Electricity System Sabotage**

PA1505184991 (Clandestine) Radio Farabundo Marti
in Spanish to El Salvador 0000 GMT 15 May 91

[Communique issued by the Farabundo Marti National Liberation Front General Command in El Salvador on 13 May]

[Text] Sabotage of the electricity system will end when the cease-fire is reached.

1. The Farabundo Marti National Liberation Front [FMLN] reports that the Salvadoran Government campaign against the sabotage of the electricity system unquestionably demonstrates the major political and military repercussions these actions have on the counterinsurgency policy of the Cristiani government, on the economy of oligarchic sectors, and on major capitalists, who systematically oppose progress in the political negotiations.

2. The FMLN sabotage is aimed at the government's war economy. The FMLN wants the government to use economic resources that otherwise would be spent financing military actions to repair the electricity lines. The FMLN sabotage is aimed at the Salvadoran Armed Forces' desperate attempts to change the correlation of military forces, by compelling them, through the sabotage, to devote efforts, plans, and troops to repair and protect electricity lines. It is also aimed at the economic stability of major capitalists who adhere to their systematic plans despite negotiated agreements that might force them to accept modes of economic and social understanding between workers and management. The facts must convince them that the country's economic stability mandates that all social sectors shoulder the consequences of the current economic crisis and the social cost of rebuilding the country, based on the concept that the wealthiest must contribute the most. The FMLN sabotage is aimed at denying the Armed Forces any possibility of continuing to deceive the public with the much vaunted line that it can ensure a low-cost functioning of the electricity system, especially in those zones that serve as a rearguard, where they exert control by practicing state terrorism, based on the implementation of the most evident forms of the military system.

3. The FMLN realizes that the sabotage of the electricity system affects social sectors where it is not intended. For that reason, it clearly calls on those sectors, even the military and private enterprises interested in the success of the negotiations in the shortest term possible, to speak out and pressure the Cristiani government, Arena [Nationalist Republican Alliance], and the Armed Forces to abandon their strategy and become more flexible at the negotiations so that the just, firm, and lasting peace, which the majority of the people yearn for, is attained.

4. As long as the war continues the sabotage of the war economy will continue in its most varied forms. That is why peace is necessary and must serve as a foundation to be just, firm, and lasting. Peace must benefit all Salvadorans on an equal basis and must facilitate the settlement of all political differences through civic modes and with equal possibilities for all partisan political activities. [Signed] FMLN General Command, 13 May 1991.

UDN Justifies FMLN Sabotage Activities

PA1505122291 San Salvador DIARIO LATINO
in Spanish 11 May 91 p 4

[Text] The Nationalist Democratic Union (UDN) has stated that the government is not complying with the Mexico agreements and has no intention of seriously negotiating an end to the war.

The UDN says in a communique that the economic sabotage is reasonable from the point of view that the Armed Forces are continuing to launch military operations against zones that are under guerrilla control. Following the logic of war, this forces the FMLN [Farabundo Marti National Liberation Front] to give a military reply in the form of sabotage.

The UDN states that the government is violating the negotiation agreements in order to grant concessions to the most radical faction of Arena [Nationalist Republican Alliance], and that it is doing this by postponing the approval of reforms that could lead to a cease-fire.

According to the UDN, if the government wants the FMLN to discontinue sabotage activities, then it must negotiate seriously and not allow the extreme right to overcome the interest of the majority.

The UDN adds that the government must approve as soon as possible the constitutional reforms that entail the appointment of a Supreme Electoral Tribunal and an attorney general for human rights and, most importantly, changes within the security forces.

Guatemala**Foreign Minister on Commission Visit to U.S.**

PA1605000791 Guatemala City PRENSA LIBRE
in Spanish 14 May 91 p 6

[Text] Foreign Relations Minister Alvaro Arzu Irigoyen on 13 May described as successful the trip of an official commission that traveled to Washington to hold talks with U.S. senators and congressmen to prevent a cut in economic assistance to Guatemala.

The Guatemalan foreign minister said that the members of the commission—Ambassador Juan Caso Fajul, businessman Bernardo Newmann, and Ministry Adviser Antonio Arenales Forno—talked with several congressmen and senators about the government's efforts to promote lasting peace in Guatemala.

Minister Arzu pointed out that the congressmen listened attentively to the explanations given by the Guatemalan commission and they understood that at this time, when Guatemala is struggling to attain peace, it would complicate things if economic assistance for Guatemala were to be withdrawn.

According to Minister Arzu, on concluding the various meetings, the U.S. officials decided to give more assistance to the Serrano Government, which is firm in its intention to reach an agreement with the guerrillas and to give special attention to human rights issues.

Devine Murder Affects Relations With U.S.

PA1605002691 Guatemala City PRENSA LIBRE
in Spanish 14 May 91 p 10

[From the "Spy-Glass" column by Mario Antonio Sandoval: "The Devine Case"]

[Text] Relations between Washington and Guatemala City have cooled off as a result of U.S. citizen Michael Devine's assassination on 8 June 1990. The issue is far from being solved. U.S. Embassy officials privately stated their displeasure because the crime will apparently remain unpunished, although several military officers had been charged with the crime.

Therefore, investigations in connection with the crime should be considered very crucial to restoring the credibility of the Guatemalan legal system. It is good to know that 16 persons have already been interrogated. The level of credibility given to the government's talks with the URNG [Guatemalan National Revolutionary Unity] for a cease-fire agreement will depend, to some extent, on the work carried out to find the culprits. It will represent a test of the authorities' willingness to enforce punishment for crimes in which Army members have participated.

The case must be analyzed from this perspective. The case is not important because it involves a foreigner, even though the U.S. diplomats' anger is basically due to the victim's citizenship. The credibility of the peace efforts is at stake because the crime is not the result of combat, a fact that might somehow justify the crime. The Human Rights Attorney General's Office, when it was temporarily led by current Government Minister Fernando Hurtado Prem, accused seven military officers. These officers, in turn, accused nine others. The wheels of justice, although slow, must turn and come to a conclusion that proves useful to defend the Guatemalan Army's prestige and to clearly prove the current authorities' willingness to fight against—at least in this case—impunity, which has caused so many internal and external problems for Guatemala.

More on Military Group Opposing Peace Talks

PA1505223891 Guatemala City SIGLO VEINTIUNO
in Spanish 15 May 91 p 6

[Text] The so-called group, "Officers of the Mountain," yesterday sent a communique to the media criticizing

the Army for its peace negotiations with high-level commanders of the Guatemalan National Revolutionary Unity (URNG).

"The High Command cares little or nothing about assassinations that subversive criminals perpetrate against officers and soldiers and about the damage caused when bridges and electric towers are destroyed and when farms and crops are burned," the communique stated. "Without caring for this and without the support of the people, the High Command decided to become an accomplice of the subversives and began a dialogue with them," the communique added.

"This is high treason to the Armed corps' noble goals, because one destroys the enemy; one does not negotiate with him. The blood shed by our officers and soldiers must not remain unpunished."

The Officers of the Mountain ask: Where do the millions of quetzales that are increasingly given to the Defense Ministry each year go? "The High Command must answer for this," they added.

The communique added: "We have confirmed information that a special commando of the Army's intelligence section (G-2) assassinated General Anacleto Maza Castellanos upon instructions from the High Command, given the courageous opposition of the deceased to holding meetings with the subversive criminals. We also know that those actions will continue against officers who are dignified and courageous like Gen. Maza Castellanos."

"We accuse the Army High Command of high treason against the fatherland, and we accuse it of mismanaging the Defense Ministry's budget."

"We accuse the High Command of planning the elimination of dignified and courageous officers who oppose talks with the self-styled URNG. We also accuse the High Command of treason against the armed corps, because it is about to negotiate its noble goals."

"If the talks continue, we reserve ourselves the legitimate right to take the necessary actions against the traitors—where it hurts them the most—because one does not mock the fatherland and the glorious Army's dignity," the communique from the Officers of the Mountain concludes.

Officers Issue Statement

PA1505195691 Panama City ACAN in Spanish
1801 GMT 15 May 91

[Text] Guatemala City, 15 May (ACAN-EFE)—The mid-level officers of the Guatemalan Army known as the "Officers of the Mountain," today criticized the peace negotiations that the government and Armed Forces are conducting with the guerrillas and accused the military high command of "high treason to the fatherland."

In a communique published here by the local press, the mid-level officers pointed out that the Army's high command "cares little or nothing about rebel criminals murdering soldiers and officers."

The so-called "Officers of the Mountain" surfaced in 1987. They have criticized the military policy and the government of President Vinicio Cerezo for the "lack of security" in the country, blaming the low salaries they earned while struggling in the mountains against the guerrillas.

In their communique, the mid-level officers said that "without caring for and without the support of the people, the high command decided to become accomplices to the rebels and is against holding a dialogue with them [sentence as received]. This is high treason to the army's noble goals of destroying the enemy."

The "Officers of the Mountain" accused the Army's espionage services, known as G-2, of having murdered General Anacleto Maza Castellanos for his "courageous opposition to holding meetings with the rebel criminals."

The document adds: "We know that these actions will continue against worthy and courageous officers. We accuse the army of high treason against the fatherland and mismanagement of the Defense Ministry budget."

The group points out that the military high command "is planning to eliminate worthy and courageous soldiers who are opposed to the talks with the Guatemalan National Revolutionary Unity."

The group warns that if the talks continue, it will take the necessary actions against "the traitors—where it hurts them the most—because one does not play with the fatherland and dignity."

So far, the Armed Forces have not issued a statement on the communique issued by the "Officers of the Mountain."

With the "total" support of the Army, in April, the government of Jorge Serrano began peace negotiations with the rebel chiefs in order to end conflict that has left over 100,000 dead in the last three decades.

The talks will continue later this month in Mexico, where the first meeting between the government and army was held.

Panama's Extradition Stance 'Makes No Sense'

PA1505193091 Panama City ACAN in Spanish
1709 GMT 15 May 91

[Text] Guatemala City, 15 May (ACAN-EFE)—Foreign Minister Alvaro Arzu rejected today the decision of the Panamanian Government to seek the extradition of Captain Jorge Eliecer Bernal, who has been exiled in Guatemala since last April.

Arzu told newsmen he does not understand the decision of the Panamanian authorities, since they are the ones who granted Bernal a safe-conduct pass to travel to Guatemala.

Bernal took refuge at the Guatemalan Embassy in Panama earlier this year after taking part in police rebellion headed by Colonel Eduardo Herrera, (retired), in December 1990. U.S. troops crushed that uprising.

Panamanian authorities are also accusing Bernal of murdering two people during a 1988 demonstration when he belonged to the Panama Defense Forces of the previous military regime.

Foreign Minister Arzu indicated he has not received any official request for the Bernal's extradition from the Panamanian Government. He said that he was unaware of any actions taken to that end, but added that the decision of the Panamanian government made no sense. "It makes no sense to grant him a safe-conduct pass and then ask for his extradition so that he can be tried for murder," Arzu said.

Honduras

Search Continues for Missing U.S. Soldier

PA1505193391 Tegucigalpa Voz de Honduras Network
in Spanish 1320 GMT 15 May 91

[Report by Juan Bosco Campos from Comayagua]

[Excerpts] Listeners, yesterday we visited the western sector of the La Paz Mountain Range. We managed to get to the place where the U.S. Army helicopter crashed. We can report that two U.S. soldiers were killed, one was injured, and another one is reported missing after a U.S. UH-1H Huey helicopter crashed into the (?Juan Onono) Hill at 2030 on 14 May [date as heard]. The helicopter crashed while en route to Jacan Base from Palmerola Base on a mission to rescue a person who was listed in serious condition. [passage omitted]

We want to report that some electrical storm activity was observed in the area. It was raining in the valley at the time of the accident. For unknown reasons, the helicopter apparently crashed into the middle of the mountain and broke in half. Later the fuel leaked and an enormous explosion followed, beginning a forest fire that lasted throughout the night. It was finally controlled yesterday at 1400. The front part of the helicopter was found 50 meters ahead of the crash site, and the survivor had been ejected from his seat. He later took refuge on a rock away from the flames in an effort to protect himself. Despite his efforts, however, he was seriously burned and later rescued by public security elements and members of the Alpha Bravo Task Force, U.S. Army. [passage omitted]

Last night and early this morning, U.S. helicopters continued to look for the pilot of the aircraft, who is still listed as missing. The bodies have been transferred to Palmerola. Meanwhile, a special commission from

Panama and the United States will try today to determine the cause of the accident. [passage omitted]

Discua Says Armed Forces To Confiscate Weapons

PA1605000691 Tegucigalpa Telesistema Hondureno Television Network in Spanish 0100 GMT 8 May 91

[Passages within quotation marks are recorded]

[Text] General Luis Alonso Discua Elvir, commander in chief of the Honduran Armed Forces, said today that the Armed Forces will soon carry out a nation-wide operation to gather weapons, adding that the operation is mainly intended to gather AK-47 and M-16 rifles—weapons that were used by the contras.

[Discua] "The use of the Soviet-made AK-47, which was used by the Nicaraguan contras, has proliferated throughout the country. They are dangerous weapons, which many people own, but we will confiscate them."

The preventive action will be adopted following the Arizona massacre. The military officer also said that the law will be strictly enforced against those who are guilty of the crime.

[Discua] "Rest assured that the report...[changes thought] please be patient. I will not issue a false report to blame innocent people. I will not condemn anyone. The report will be sent to the president, who will publicize it. The document will be sent to the appropriate courts, which will take legal action. Rest assured about this."

Talking about other issues, such as the protection of El Cajon Hydroelectric Dam, the Armed Forces commander said the 1 million lempiras paid by the ENEE [National Enterprise for Electric Power] to protect El Cajon comes out of the military organization's budget.

[Discua] "We provide it. We [words indistinct] El Cajon, which comes out of the Armed Forces' budget.

[Reporter] "General, does this change the Armed Forces' role?"

[Discua] "Absolutely not. I think we are cooperating so that all the Hondurans may protect the country's interests."

Discua Elvir later left the Presidential Palace after meeting with President Rafael Leonardo Callejas.

Summons Labor Leaders

PA1505122391 San Pedro Sula LA PRENSA in Spanish 9 May 91 p 31

[Text] Tegucigalpa—Honduran Armed Forces Commander General Luis Alonso Discua made a veiled threat to Amilcar Tome, coordinator of the Platform for Struggle, during a surprise meeting held yesterday at the Armed Forces headquarters.

Discua unexpectedly summoned Tome, along with Hector Hernandez, president of the United Federation of Honduran Workers, minutes before they were to hold a news conference at the main offices of the Honduran Land Transportation Federation at 1000.

After 1 hour and 15 minutes, former Platform coordinator Orlando Iriarte began the news conference in view of the delay caused by Discua's summons.

Tome and Hernandez showed up 15 minutes later. They charged the top military chief had hinted the Armed Forces may intervene, at the request of the executive branch, in the labor conflict started by the National Enterprise for Electric Power Workers Union, STENEE.

Tome noted that Discua told them he will harshly punish those responsible for the recent mass murder of peasants in Atlantida Department.

Travels to Panama

PA1505190191 San Pedro Sula TIEMPO in Spanish 14 May 91 p 5

[Text] Tegucigalpa—It has been reported that General Luis Alonso Discua Elvir, chief of the Honduran Armed Forces, traveled to Panama yesterday to meet with the head of the U.S. Southern Command to perfect military cooperation programs and to identify geographical areas for new military exercises.

The trip was announced by Foreign Minister Mario Carias Zapata at the end of a security council meeting at the presidential building. The meeting was attended by high-ranking military officers, including Discua, and President Rafael Callejas.

Carias Zapata said that Gen. Discua will meet in Panama with the head of the U.S. Southern Command "to complete the details of the U.S. cooperation programs with the Honduran Armed Forces."

Gen. Discua also will report to the chief of the U.S. Southern Command on the progress of the Honduran Armed Forces' fight against drugs, protection of the ecology, and the "identification of new areas for possible joint Honduras-U.S. military operations."

Gen. Discua flew to Panama yesterday afternoon, but neither the date of his return nor the names of the officers accompanying him were disclosed.

Nicaragua

Godoy on Lacayo, H. Ortega, Other Issues

PA1605025691 Managua Radio Catolica in Spanish 1900 GMT 14 May 91

["Roundtable" discussion during the "Church Newscast" with Vice President Virgilio Godoy; unidentified moderator; Alberto Carballo, assistant director of the

"Church Newscast;" and Radio Catolica News Director Freddy Rostran with call-in listeners in the Radio Catolica studio—live]

[Text] [Moderator] Dr. Godoy, the microphones of Radio Catolica's "Church Newscast" are at your disposal to address certain topics, especially those pertaining to charges that Presidency Minister Antonio Lacayo and Army General Humberto Ortega Saavedra have leveled against you concerning your alleged links to armed groups in northern Nicaragua.

[Godoy] In the past few weeks, Presidency Minister Antonio Lacayo and Army Chief Humberto Ortega have made statements about the alleged emergence of new armed groups in northern Nicaragua and their links to Vice President Godoy and the mayor of Managua. This seems to be part of a more or less lengthy campaign aimed at undermining and discrediting the vice presidency and even dismantling it at a given time.

I say this because some people believe that the differences that exist between Mr. Antonio Lacayo and the vice president, or the problems that could exist between Mr. Humberto Ortega and the vice president, are very recent developments. This is actually not so. We must recall that this dates back to UNO's [National Opposition Union] electoral campaign, which was chaired by Antonio Lacayo. The parties of the UNO Political Council were forced to intervene to prevent the campaign's failure because of a lack of activity, because Mr. Lacayo was only organizing very low-profile activities.

Certain problems arose later on and led to the so-called rupture between UNO and the government—a government dominated by Antonio Lacayo in this case. This did not occur on 25 April or 30 August 1990 or on the last day of December 1990, but this occurred immediately after the 25 February 1990 elections on two occasions more or less close to each other.

The first instance occurred on 26 February. Campaign chairman Lacayo became a sort of spokesman for the president-elect and started to suggest that the UNO commitments were invalid. In this case, he tried to suggest that the commitments in the program that had been signed were not valid and that the accords of Bambana were much less valid. Lacayo said—and reiterated it many times—that the president's commitment was simply to abide by the constitutional mandate and that her powers are specified in the Constitution. From this very moment, there was a clear difference and distance between the new government and the organization that gave birth to it through the electoral campaign.

The famous talks between Mr. Lacayo and Mr. Humberto Ortega began in March. They supposedly represented the president of the Republic and the losing party. These talks concluded on 27 March with the signing of the infamous transition protocols. Frankly speaking, these protocols caused a technical coup d'etat because they introduced a number of limitations and obstacles to government work and virtually turned it into a prisoner

of a pact reached only between Humberto Ortega and Antonio Lacayo. This pact has been mentioned now and then. It was mentioned this week and last week by leaders of the party that lost the elections and by Lacayo himself.

Therefore, we must keep this in mind to explain what happened here in the past year. That campaign was heading toward failure but was saved by the UNO Political Council. Lacayo created a rupture with UNO when he tried to bring it into line with the new government's policy of strictly abiding by the law while neglecting political commitments. He then forced the government into that straightjacket through the pact—or *kupia kumi* [single heart in Miskito]—which they called a transition protocol, or protocols, because it is said that there is more than one. Knowing this, the rest is more easily understood.

It is no wonder that as of that moment a series of interesting events began to take place. For example, on 22 April 1990, three days before the change of government, a close associate in this project or *kupia kumi* or alliance associated with Lacayo and Ortega, went to the Supreme Electoral Council to meet the principal officer of this state institution. This person went to ask if there was still opportunity to prevent the vice-president from taking over his office on 25 April through a judicial order that involved an arrest order. This was too late and could not be done; however, this led to Lacayo ordering one of his present assistants on 26 April, merely five hours after my taking office, to prevent my entry into the Presidential Palace. This took place on the morning of 26 April, when the LA PRENSA newspaper alleged, with a sort of Sandinism nationalism, that I had tried to take several persons from the government house, which was absolutely false.

Since then there has been a permanent campaign—that has not subsided at any time—to try to present me as immoderate and as a person who is merely trying to find out—because of personal ambitions—how to upstage the president of the Republic or how to systematically question the government's performance. This campaign has been handled by the newspaper LA PRENSA, two Sandinist National Liberation Front newspapers, the government's radio station, the Sandinist radio station, and, of course, television.

This also led to banning my appearing on television. For example, around the month of July 1990, Lacayo appeared on television for over an hour charging me of the same things I am being charged with now. I requested equal time to express my points of view on television, but I was denied that opportunity because an order was given not to allow me appear on television, which then was completely controlled by a gentleman called (Chitibut) or something like that.

The situation continues because this campaign that is being waged internally has also been taken outside Nicaragua. Every time I travel at the invitation of other

countries, I realize that when Antonio Lacayo has been somewhere, he simply goes around saying that the vice president is someone you cannot live with; that the vice-president is an extremist; that he is a radical; that he never agrees with anything; that he is never content; and that the only thing he wants is to get rid of Mrs. Chamorro and take her place. He has done this several times in Washington, Miami, and New York. This has continued and it is part of the situation.

We have the last affair that begins with a statement by Lacayo and takes place under very interesting circumstances because he accuses me of instigating the rearming of former members of the resistance in the northern part of Nicaragua. He does it at a time when the rumor spreads. The newspaper that is directed by his wife, Mrs. Cristiana Chamorro, has sent a journalist to the area to verify this rumor. She is probably very interested in finding evidence to accuse me with more certainty.

The journalist concludes his report saying that, after several days of checking the country's north, nothing was found. He saw nothing and heard nothing. On the contrary, he was simply told that there have been criminal activities caused by the conditions prevailing after the war and by the government's abandoning of the civilian population represented by its failure to fulfill its pledges. Also, Army Chief Humberto Ortega has irresponsibly spoken loosely, very much in the Sandinist style of speaking first and then looking for the facts. I told someone that this reminded me of an old story about a famous general who ordered his subordinates to execute some prisoners by a firing squad. When asked about the evidence, he replied: "Never mind the evidence. Go ahead and execute them. You can find the evidence later. There is another story about a general who ordered several people executed. This time the would-be executioners asked him about the possibility of the group including some innocent men. The general replied: "Never mind. Let God decide which ones are guilty and which ones are innocent. For the time being, you just go ahead and dispatch them. So they did."

This is what has been proposed here. After Lacayo accused me and after Ortega spoke loosely, they are now saying they will look for the evidence. They are looking for this evidence in Costa Rica, because allegedly it is there that Mrs. Chamorro's son-in-law and minister of the presidency—usurping the president's functions—has been speaking every time he has a microphone in front of him.

[Moderator] Journalist Alberto Carballo, assistant director of the "Church Newscast" is also here with us, Alberto?

[Carballo] Santiago Chong and Freddy Rostran, news director of Radio Catolica, are also participating in this event. Dr. Godoy has been described as a hardliner who cannot tolerate those who lost power in the past elections. When we are with him, however, none of these labels will succeed by their very nature. I say this because

I have known him since he was a sociology professor at the university, later when he held a public post, and during the electoral campaign of the UNO government. Dr. Godoy, the Nicaraguan people think you can be removed from the vice presidency. Many Nicaraguans say, however, that if this happens, many things could occur in Nicaragua and many people would repudiate such a removal. Is there any legal means to remove you from the vice presidency? Is there any other form of pressure for you to resign?

[Godoy] There is a very old story on this subject. Stalinists used to hold show trials when they wanted to destroy someone. The FSLN is full of people with this mentality who are apt to make such moves. I feel this is extremely difficult. The country is aware of the extent of credibility over this issue. As for my resignation, the first one to ask me to resign was National Assembly President Alfredo Cesar. Alfredo Cesar took advantage of a famous news conference held last July by President Violeta Barrios de Chamorro on the Presidential Palace's first floor and said I should resign. I was also accused of being behind the disturbances promoted by Sandinists that month.

Of course, I will not stay calm and let the wave crash over me. I am also taking precautions. As for resigning, not by a long shot because I received the mandate from the people's vote. Exactly the same number of people who voted for Chamorro for president voted for Virgilio Godoy to be vice president. If they wish, I am willing to propose a plebiscite and see if the Nicaraguan people want the vice president to resign. This is a formal challenge I am posing to Antonio Lacayo, who has been governing in Chamorro's name. Let him take his chances. He does not want to risk calling elections for the Central American Parliament, so let us see if he wants to take this risk. I am watching him behave very enthusiastically, as he thinks he is very popular. Let us put it to the test and see if the people choose him or me.

[Moderator] We have a call from a listener. Go ahead.

[Caller] [Words indistinct] what do you think?

[Godoy] That is an interpretation. I believe this move is not aimed at carrying out parliamentary elections and has nothing to do with the existence or nonexistence of the vice presidency. I have been chosen to be a member of the parliament once my functions as vice president end. This does not depend on elections. I think what you have said is not possible because the Central American treaty that created the Central American Parliament also promoted political activities. Some of these activities are the vice presidents meetings. I do not think that the parliament members who met here are trying to eliminate a meeting that has to do with Central American integration, not only with the Central American Parliament elections, but also with everything that has to do with the countries' economic and political integration.

The meeting could also analyze the project of reviving the ODECA—Organization of Central American

States—which has been frozen since the Sandinist Front took over the Nicaraguan Government in 1979; it could be revived now to push on the integration process. The vice presidents would be in charge of it unless the treaty is either discarded or terminated by the signatory countries. In that event, the vice presidents would be left with the functions assigned to them by their respective governments.

[Reporter] Dr. Godoy, the Sandinists, through Gen. Humberto Ortega; and some government sectors, through Antonio Lacayo, have reinitiated their campaign. This morning we heard a recording of a speech of yours in which you affirm that we must go back to the streets. I would like you to explain to us what you mean by going back to the streets. I am asking this based on the possibility that the vice president may have had a change of attitude.

[Godoy] Not really. I have been active since the election campaign concluded. We have continued touring the country and held meeting with small, medium, and large groups of people to listen to their concerns, to see what is bothering them, and to determine what can be done to resolve their problems. What I was saying with basis on [word indistinct] is that in the face of menacing offensives by Antonio Lacayo and Humberto Ortega—who want to take the country back to the days of terror we endured—we cannot remain passive. We must make use of our constitutional rights to defend, as strongly as necessary, whatever they may want to take away from us as a result of this new mentality that some want to impose on the country.

[Reporter] To defend what, Doctor?

[Godoy] To make demands of the government and demand whatever must be demanded. In this case I was speaking to a multiparty or a pluralist UNO audience. I said: Some of you feel betrayed. Many of you do. Well, instead of feeling betrayed, it is better to take to the streets. We must actively demand rights in a civic and lawful manner.

What does this mean? It means that the people who voted for UNO, who made sacrifices for UNO, who made big efforts to achieve an electoral victory, and who now feel let down and cheated by this conspiracy between Antonio Lacayo and Humberto Ortega—the UNO people—may say: We voted for a program which implies this and that and we expect to see it implemented. We do not want a different history, a changed history, and to be told that since no one elected Antonio Lacayo, Antonio Lacayo can do as he pleases and forget that the people voted for a specific political program.

[Reporter] Dr. Godoy, what would you do if at a given moment, for some reason, you become president of Nicaragua?

[Godoy] Such an event would entail several things. First, we would have to try to respond in the best possible way to the commitment we made last year to the voters, to

those who voted in urban and rural polling stations and were looking for a change. Then we would have to look for ways to consolidate peace in the country. People like Gen. Ortega try to kill peace and revive war because that is the environment that best suits them.

We believe Nicaragua requires an effort in which all Nicaraguans, regardless of their political affiliation, must participate to attain peace and march toward economic recovery, which is what the country's poor need.

[Reporter] Would you dismiss Gen. Ortega?

[Godoy] I have said that Gen. Ortega should not be where he is now. There are obvious reasons for this. This is not a matter of personal enmity. I have never been Gen. Ortega's friend. It is a matter of placing things where they belong. Gen. Ortega was the main architect of the war in this country; therefore, he is the person most responsible for the more than 70,000 deaths in the country during the past decade.

Gen. Ortega has always spoken the military language, the language of violence, the language of arms, and the language of destruction. I do not think that is what the country needs. The country needs a call for peace and a call for the reconstruction of Nicaragua. Gen. Ortega warned on several occasions that he was not prepared to acknowledge anybody's victory but that of the Sandinist Front. Somehow because of the alliance he has made with Antonio Lacayo, he has somewhat secured his objectives.

For example: On 16 September 1989, Gen. Ortega said in Mexico that he was not prepared to acknowledge an opposition victory. This was said on several occasions, inside and outside the country, by some of Gen. Ortega's cronies. It is necessary to give the country a different image. We do not want militarism or warmongers. All we want is the possibility to attain a firm and lasting peace, as the Esquipulas Treaty states, so that Nicaragua may overcome its illness.

[Reporter] What would you expect from the Sandinists if Gen. Ortega were dismissed?

[Godoy] They have already spoken about it, and not concerning this topic: Antonio Lacayo spoke about it on 7 August of last year during a meeting he had with the board of directors of the Higher Council of Private Enterprise [COSEP]. Without being asked, Lacayo said: Daniel and Humberto Ortega have told me that they will not for a minute allow Godoy to be president.

[Reporter] Dr. Godoy, if you were to become president and Gen. Ortega were to be dismissed, don't you think his dismissal would be an infringement on the spirit of reconciliation that Nicaragua expects from its leaders and presidents?

[Godoy] I do not know what some people understand by the word reconciliation. For example: Some people could say that reconciliation means acceptance of the recent rebellion by the country's chief of police. He

refused to be separated from his post, despite the fact that his separation is strictly within the purview of the executive. He was accompanied in this act of sedition by a group of police officers.

If one were to accept those people's criteria, there would never, ever, from now to eternity, be any possibility of dismissing anyone, because to do so would run contrary to the spirit of reconciliation. Surely, no one would shoot down Gen. Ortega after he retires. It is simply a matter of his changing over to civilian life. He has done his duty. He did what he had to do, but he is not in step with the new times in Nicaragua.

That is what must be understood: We have a new mentality. In fact, I am certain that there are other officers within the Army who can do things much better than Humberto Ortega and who would be more disposed to pave the way for reconciliation. After all, what is happening in the north is not reconciliation. What I am hearing from the Human Rights Commissions and reporters, particularly foreign newsmen who travel often to the north, is that patrols have been ordered to continue as if the country were still at war. This does not help create an appropriate climate for reconciliation. Who is responsible for this? Most likely Humberto Ortega, because he is the chief of the Armed Forces. These things cannot be done behind his back, without his knowledge. Therefore, obviously, if the evil spirit is at the top and if these mistaken ideas are at the top of the Army leadership, then it is at that level that changes must be made as soon as possible.

[Moderator] The listening public of Radio Catolica of Nicaragua is also participating in this roundtable discussion with Dr. Godoy. We have a telephone call. Go ahead, listener.

[Gomez] Good afternoon, Dr. Godoy. This is Leticia Gomez. In 1979, the Nicaraguan people placed their trust in the Sandinists and the Sandinists failed them. In 1990, the Nicaraguan people believed in the UNO but the UNO also failed them. In your opinion, who should the Nicaraguan people believe in?

[Godoy] Well, Senora Leticia, I could say this to you. Obviously what you said about 1979 is true. The Nicaraguan people believed in the Sandinists and the Sandinists failed the Nicaraguan people. In 1990, the people believe in UNO. It is not UNO that has failed. It is Antonio Lacayo who linked up with Gen. Ortega. In any case, he is the one who has failed, but he is not even from UNO. As far as I know, Antonio Lacayo does not belong to any of the UNO parties. He may be seeking party membership now, because he has some UNO members around him, but it is not UNO that has failed. Actually, if one takes a good look—and this was said by Pablo Antonio Cuadra in a very beautifully written editorial last July—UNO won but was left out in the cold. In other words, it was left at the starting line. After all, who gave a single vote for Engineer Lacayo? Absolutely no one. He

was not a candidate, even for councilman or deputy councilman. Yet he suddenly appeared taking over everything.

You have seen this. Recently, he inaugurated a highway, which should rightly have been inaugurated by the minister of construction. The thing is that the minister of the presidency hogs everything and centralizes everything. It is as if a new little Trujillo were being born in Nicaragua. He does this in other cases. If a telephone circuit is damaged, the presidency minister holds a news conference. If there is a threat of cholera or another plague, it is not the health minister, but the presidency minister who responds. If a tax is to be revoked or imposed, the presidency minister, not the finance minister, is involved. If a development program is announced, it is not the economy minister, but the presidency minister who announces it. If a textbook is to be changed, it is ordered by the presidency minister, not the minister of education. Thus, UNO is not involved. We are simply experiencing at this time one of those accidents that occur in history. The UNO won, the people won with UNO, but UNO is not governing. That is the pure truth and the only truth. If you do not believe this, take a look at the cabinet. It is very simple. How many UNO ministers are in it? You will find only one. Of 12 ministers, only one is from UNO. As the saying goes, one swallow does not make a summer. One has to take that into account. It would be unfair to blame this on UNO, since UNO did not put Antonio Lacayo where he is. UNO did not sign the transition protocols. UNO did not provoke the technical coup that occurred here on 27 March of last year.

[Moderator] Dr. Godoy, you have formally presented the idea of a plebiscite—you even presented it as a challenge to the government—so that the Nicaraguan people may decide if they agree or disagree with the way the government is fulfilling its tasks and so that the government may say if it agrees with the way it shares the ruling of the country with the Sandinists.

My question is: Is this simply an idea you have mentioned or will you follow it up? Will you present it to the UNO members? Will you discuss it with some U.S. congressmen? I understand you are scheduled to meet with some of them next week in Washington. Will you discuss it with international organizations or did you simply state it for the sake of stating it?

We have a caller on the line. We will let him ask his question and then you may answer my question. The person who is on the line may speak now.

[Caller] I have a question for the doctor: We would like to know the functions of a vice president in our country? Also, what are his plans for the country's development? Doctor Antonio Lacayo has [passage indistinct] vice president for the country's development. The people who voted for UNO would like to know about his plans.

[Godoy] We have discussed the functions at length, even through Radio Catolica's microphones, but we will use

this opportunity to repeat them. The main function of a vice president, according to the country's constitution, is to replace the president when the president is absent; however, a law was promulgated stating that the president will be considered absent only when she remains out of the country more than 30 days, without the National Assembly's authorization. This maneuver follows the same guidelines I mentioned earlier and it is intended to annul the vice president's authority and to let its sponsors work comfortably within a clique.

The president seldom travels abroad more than 30 days but, if she does so with the proper authorization, she can perfectly well stay abroad six years and there is no problem because—according to an executive branch agreement—all the administrative functions are transferred to the minister of the presidency. Therefore, we now have a post that is not recognized by the law but that exists nevertheless: the minister president. Every time Mrs. Chamorro leaves the country, her son-in-law, Antonio Lacayo, becomes the president because he inherits all the administrative functions.

In addition, the vice president has the other functions I have already mentioned, meaning Central America's economic integration. These functions are important because they directly deal with the country's economic development. Everyone knows that these countries are no longer expected to achieve viable economies on their own. An integration process must necessarily occur and, in this case, a Central American treaty has entrusted this integration process to the vice presidents.

We are working on this and....[changes thought] for example, a lot has been said in recent months—at least throughout the year that I have been part of the vice presidents' forum—about a series of projects to develop the infrastructure of the country and Central America. This includes the roads, highways, communications and telecommunications networks, and a program to develop small and mini enterprises. This is considered the latest development because it involves enterprises that are capable of prospering very fast and creating jobs very quickly.

Consequently, several projects are being implemented. We are also considering the possibility of implementing projects for the joint economic development of our border areas. The northern border includes the area between Somotillo and Las Manos, and the southern border—which is smaller—includes the Rio San Juan basin. All this is part of our economic development plan.

We have important duties and projects in this regard. However, this also depends on how political events will unfold. Humberto Ortega and Antonio Lacayo have tried to hasten events with their irresponsible statements.

Regarding the question asked by Fernando Centeno, I would say that the idea of the plebiscite came up—as I have pointed out previously—because they are trying to find a way to separate Virgilio Godoy from the vice presidency of the Republic for good. A very simple

mechanism can be used. Clearly it will not be easy to invent evidence like in the Stalinist trials of the thirties, forties, and fifties. There is a much easier way now. I would agree immediately if the government called a plebiscite for the people to decide if they want the vice president to continue in his post or if they want him to leave. I am willing to subject myself to the test of the people's vote. This terrifies Lacayo.

[Reporter] A top-level government official stated on television recently that people should not have false expectations about the Parlacen [Central American Parliament] elections. He said Nicaragua should designate its delegates to Parlacen and the people should not have false expectations because.... [changes thought] The official almost said that Parlacen deputies would only be decorative figures. What is the Nicaraguan Government trying to hide by postponing the Parlacen deputies' election? Why does it fear having a true democratic election to choose the delegates? Also, a question many people in Nicaragua ask: Does Vice President Godoy use a bodyguard from the Government Ministry?

[Godoy] I will start with the last question. The answer is no. I do not have a bodyguard. The closest I get to this is a friend who helps me and drives the car because sometimes I have to write notes while I go from one place to another or to avoid bigger problems. Should I have bodyguards? Please, no. Much less bodyguards from the Government Ministry. These are the same as the ones in the Interior Ministry. Can you imagine. I would be guarded by the people who are really eager to see me quickly buried. The answer is a definite no.

The other question deals with the Parlacen. I believe that the government is hiding a big weakness. The FSLN does not want the elections because it is scared of losing more than it did in the 25 February elections. This is why the FSLN has been pushing for no Parlacen elections in the past months. They even tried to do a bit of (trickery) in the assembly to assign the delegates based on the votes obtained in last year's elections. However, this cannot be done because it is objectively and legally impossible. So they decided to try to postpone the elections. Why do they want to postpone them? The government knows that some of the parties that support it will come out the loser in this election. This is a very serious problem because the government has been bragging that it has the support of five, seven, and eight parties. At the most, only two of the eight parties that support the government will be able to get their representatives elected as Parlacen deputies. The others will lose. This means the government would suffer a possible loss of legitimacy. The legitimacy that the government and Lacayo himself have been bragging about here and there.

The FSLN is scared of being defeated again in elections and only getting one, two, or at the most, three deputies out of the 20 for the Parlacen. Thus, the best thing is to avoid elections because this could mean.... [changes thought] There definitely would not be any polarization. This is the excuse that has been used. The first excuse

was that the elections could not be held because there was no money. However, the EEC said it would give the money for the elections when the Nicaraguan Government requested it. Money is not a problem any more. Now the problem is that it could create a polarization in the country as it recovers from an economic crisis. I believe this is a lie. Quite the contrary. These elections are very special. The elections are for delegates to a parliament that is just starting and still does not have the characteristics of a national parliament but can discuss issues and make recommendations. I believe the elections will allow many tensions to subside in the country. The elections will promote a detente in the internal situation and avoid further polarization. They will lessen the tensions that arise apparently because of the lack of communication in this government that wants to do everything secretly.

[Moderator] We are going to present the last two questions in this program. We will hear the person on the 72498 telephone line. You are on line. Please ask your question.

[Caller] I want to ask Dr. Godoy if [words indistinct] Antonio Lacayo does not want to return the properties? I think Dr. Godoy knows very well that a nation is ruled by its economy in a de jure state [words indistinct] the private and productive sectors [words indistinct] to improve the economy of a nation. I am going to state my personal opinion. The mistake was that we put our hopes in the UNO and in President Violeta Barrios. I think that we—who have little education—put our hopes in the UNO; however, what we should have done the day after the elections is go out and take back our properties that were unjustly confiscated.

[Moderator] The person who is now on the telephone line 60893, please speak up, what is your question?

[Caller] [words indistinct] politicians who were Sandinist and who even held positions in the Sandinist Front, under the table they are still with them and they want to appear that they are on the other side. My question is what is your position regarding the election of the Central American Parliament?

[Godoy] Regarding the Central American Parliament elections, there is little time left, but there is still time to hold them. I hope that answers one of your questions. As far as the other is concerned, the problem lies in the infamous transition protocol. Antonio Lacayo promised with the protocol to give away what was not his, and thus legalize the looting that took place all over the country. This affected private citizens during the March and April Sandinist giveaway and the time before February 1990. This is the problem, but fortunately these so-called protocol agreements are not laws of the land and cannot be enforced. All should place their claim with the Attorney General's Office and the Review Commission concerning property illegally or unfairly confiscated in order to get it returned. Maybe the current procedure is not as swift or as formal as one wants, but there is a true

intention to return the properties. What is important is that the persons who feel they have a claim should present themselves before the legal offices. Right now this is the status of the confiscated properties.

But you must remember that there are other problems higher up. That same presidency minister said on one occasion that the Attorney General's rulings were worthless. The same way he recently said that the proposals to eliminate laws 85 and 86—that served for the give-away—are just plain nonsense. That is his opinion, but his opinion is the law. Lacayo talks a great deal about wanting a de jure state in Nicaragua, although each time he can he jumps right over the laws and the Constitution. I insist that the Nicaraguan who has a claim should protest. He should present his claim to the Review Commission or the Attorney General's Office. He should not give up. He should go every day or each time he has an opportunity to try to hasten the solution to his problem.

[Moderator] One last question Dr. Godoy. Are you afraid? Heaven forbid, but if you were a victim of an attack, who would you blame?

[Godoy] The community knows where this attack could come from. I am threatened day and night. In this modern age, since we have to be connected to the telephone, you never know who is on the other end of the line. Usually they are persons who make anonymous calls, making all kinds of threats. Recently, I heard a report that an Armed Forces colonel—who previously belonged to state security—during a meeting made threats against three specific persons. He threatened Virgilio Godoy, Arnoldo Aleman, and Roberto Arguello. Roberto Arguello is a person who has not lived in Nicaragua for many years. He is a young man who lives in the United States and I do not understand why he was included in this threat. That gentleman said that we were going to see—at a given time—what the Sandinist Front really is. He also said that we were not going continue unpunished under these circumstance. But I ask myself, what if we do not say anything, who is going to expose what is wrong? If we do not tell the people to claim the properties, the property claims will not continue. If we do not tell the Nicaraguans that they must report what is wrong, are we going to force the Nicaraguans to keep silent in the face of what is incorrect, what is militaristic, and what is evil? I do not think we should keep silent.

Clearly what we are doing is risky. We would be insincere if we were to say that we have no fear. Deep down we are concerned, but we are not losing any sleep over it because we know that we are fulfilling our duty and saying what other people are afraid to say. By doing this we are playing the role we chose to play in the field of politics. Therefore, I am not going to resign my vice presidency post. I demand, I propose, or I leave it up to the minister of the presidency to announce whether or not there will be a plebiscite to decide whether or not I remain in my post. I speak of the minister of the presidency making the

announcement because he announces everything and does not let the president make any announcement. This way we can all have repose.

But even if I were to find myself out of the vice presidency, I will not keep my mouth shut. Recently one of those commanders was saying that I am all over the country. What does he want me to do? To be a prisoner in my home? To declare my home a prison? Are they the only ones entitled to visit every point of Nicaragua?

No, I will continue touring Nicaragua. I will do so, regardless of whether I have my government post or not, to denounce whatever must be denounced, to protest against whatever is wrong, and to take a message to Nicaraguans who believe that the future can be built and that the future will be one of peace, liberty, and democracy in our country.

[Moderator] We thank the listeners of Radio Catolica's roundtable, this time with the participation of Vice President Virgilio Godoy. We apologize to many listeners who wanted to participate in this news conference but who were unable to do so because of the time factor.

We thank Dr. Godoy for his participation in this roundtable of Radio Catolica's "Church Newscast."

Panama

Ford To Address Nation on Economic Policy

PA1605020691 Panama City Circuito RPC Television in Spanish 2259 GMT 15 May 91

[Text] Planning and Finance Minister Guillermo Ford has said that the government will have to make personnel adjustments in some government institutions.

[Begin recording] [Ford] The president has authorized me to go on national television network on Thursday night at 1900 to explain to the nation what this program is about. This program will benefit the employee and the most destitute; it is a complete modernization program. I hope to give the people a very clear report on this program on Thursday night.

[Unidentified reporter] There is unrest among government employees given the remarks have been made that there could be dismissals. What do you have to say about this?

[Ford] I reiterate—and this afternoon I was able to uphold my position—that 19,000 government employees will not be dismissed. It has been said that there is a contradiction between what the president and I have said, but there is no contradiction. What the president did say—and he was very clear—is that there are some institutions where perhaps there is an excess of personnel and in these institutions there would be dismissals. But this is not in response to any government policy and much less to a foreign imposition. This is why I have told the Panamanian people that the government worker should be at ease. When the community has been

given the explanations on Thursday, they will see how, through certain mechanisms, the employees will be transferred from the government to the private sector payroll.

[Reporter] Which institutions have an excess of employees?

[Ford] I do not know. The president mentioned some institutions and it will be the duty of each institutional director to make this decision. But I want to make it clear that there is no pressure on us to fire employees and there will be no massive dismissals in the government sector. For the government to engage in massive dismissals would be contradictory, given the very high unemployment rate that we have.

[Reporter] What aspects of the economic program are going to be discussed tomorrow?

[Ford] There are two issues that I prefer not to discuss separately and these will have to be revised. But basically the program was approved as a whole, and there are only two points that have to be revised.

[Reporter] Panamanian businessmen questioned your trip to the United States where you presented the Panamanian Government's economic program. The businessmen claim that to date they have no knowledge of what you discussed with the international organizations and that they have no information on the economic program.

[Ford] Nobody has the information yet and that is precisely what I am going to report on Thursday. I had the constitutional, legal, and moral obligation to inform the President of the Republic and the cabinet first, for their approval. It would have been very irresponsible on my part if I had given out this information publicly without the Cabinet's prior approval. [end recording]

Guillermo Ford, second vice president and planning and finance minister, will speak to the nation at 0000 GMT on 16 May, through a radio and television national network to report on the negotiations he held with the international financial institutions in Washington. Vice President Ford will give a detailed report on the negotiations and the reasons Panama must reach an agreement with the international financial institutions.

Policeman Seeks Asylum at Costa Rican Embassy

PA1505171791 Panama City LA PRENSA in Spanish 15 May 91 p 324

[Article by Vilma E. Figueroa B.]

[Text] A sergeant with the last name of Carrasquilla, who was assigned to the public security directorate of the national police, stationed in Santiago, Veraguas Province, sought asylum yesterday at noon at the Costa Rican Embassy. This report was confirmed last night by a high-ranking government source who requested anonymity.

It was learned that Carrasquilla requested asylum after explaining to the Costa Rican ambassador that he was being persecuted by officers of the Public Force. These officers were members of the now defunct Panama Defense Forces [FDP] who supported (ret) Colonel Eduardo Herrera. A few days ago, the Attorney General's office sentenced Herrera to house arrest.

The report adds that Carrasquilla claims that he is being investigated in Panama City and in David, Chiriqui Province.

Carrasquilla is a former FDP soldier who was in the group that was arrested in March 1988 when a group of soldiers led by former Colonel Leonidas Macias tried to overthrow General Manuel A. Noriega.

LA PRENSA spoke with the Costa Rican General Consul Soto Vargas Vargas. He said that Carrasquilla left the embassy after a Panamanian officer talked to him.

The source did not give any further details because he was unaware of any.

Argentina**Menem on Armed Forces, Duhalde Candidacy**

PY1605012491 Buenos Aires Argentina Televisora Color Network in Spanish 2200 GMT 15 May 91

[Text] President Carlos Saul Menem gave an exclusive interview to ATC [Argentina Televisora Color] news in the Olivos presidential residence today. He said the situation in the Armed Forces is completely normal.

[Begin Menem recording] The people should not worry about this because there are no problems. You know very well that the military chief who made those statements was immediately relieved from his post. As commander in chief of the Armed Forces I have ordered immediate summary proceedings against another military man—in this case a retired Air Force officer who made some statements not in keeping with his military status. I think that when this officer had an opportunity to improve his position, when he was chief of his force, he made things worse. Anyway, we will not tolerate any kind of indiscipline in the Armed Forces, just as we did not tolerate what happened last 3 December. It is true that there are budget problems, but we are trying to solve them. All Argentine people are living through difficult times and when sacrifices must be made, the Armed Forces have always been and continue to be willing to suffer the most extreme sacrifice and put forth their best efforts for the Argentine Republic. [end recording]

Menem also referred to Vice President Eduardo Duhalde's possible candidacy for governor of Buenos Aires Province.

[Begin Menem recording] It has been a long time since there was so much harmony between a president and a vice president. We are working together well. Duhalde is a capable, talented, entrepreneurial man who is always aware of the problems he must face as vice president and of other problems that we agreed he should take care of, such as the drug issue, drug trafficking, small and medium enterprises, and moralization of the public administration. It would be inconvenient for me if he left. This is the truth because we do not know who would become the next vice president. You know, it is not true that if Duhalde leaves, my brother will take his place. This is not so. It could be my brother or the president of the Chamber of Deputies, depending on when he must assume the post of vice president. Perhaps we will have to call for elections. Anyway, this is a problem that has resulted in many discussions. It would be convenient for me if he remained, but Eduardo must decide this on his own. He is consulting with his colleagues, friends, and family, I guess—which is appropriate. I think that as president of the Justicialist Party in Buenos Aires Province he must be very cautious in his statements. I will accept whatever Duhalde decides. [end recording]

First Tank Regiment Repels Unidentified Attack

PY1505212291 Madrid EFE in Spanish 1952 GMT 15 May 91

[Text] Buenos Aires, 15 May (EFE)—It has been reported in Buenos Aires that guards at the Argentine Army 1st Tank Regiment in Villaguay today repelled an attack by an unidentified group firing large caliber weapons from two cars. After an intense shoot-out, which did not result in any casualties, the attackers were able to escape from the military patrols that mobilized to capture them.

No group has claimed responsibility for the attack, which created a commotion in Villaguay, Entre Rios Province, 380 km northeast of Buenos Aires.

The 1st Tank Regiment was one of the units involved in the 3 December military uprising that was the fourth and most serious since democratic transition began in Argentina in 1983. The attack occurred as the Appellate Federal Court of Buenos Aires is reviewing the sentences set by military judges for Colonel Mohamed Ali Seineldin and 13 other Army officers involved in the latest uprising.

On 14 May an anonymous person made death threats against members of the Appellate Federal Court. On 16 May the Appellate Federal Court will hear the testimony of former Argentine President Raul Alfonsin who was faced with three military uprisings between Easter 1987 and December 1989, the last of which was headed by Seineldin.

Last January Mohamed Ali Seineldin, a 56-year-old nationalist Catholic, and six other Army officers were sentenced by a lower court to indefinite imprisonment. The military judges also sentenced six other rebel officers to 12 to 20 years in prison and acquitted two other officers.

The prosecutor asked for longer sentences for the officers who were sentenced and punishment for the officers who were acquitted; the officers had been beneficiaries of President Carlos Menem's pardon for military men who were involved in the last three military uprisings.

Police Chief Denies Reports

PY1505222891 Buenos Aires TELAM in Spanish 2124 GMT 15 May 91

[Text] Villaguay, 15 May (TELAM)—Guards at the Colonel Brandsen Tank Regiment fired warning shots into the air on sighting two unidentified vehicles driving along the rear of the military unit, which is close to Villaguay City in Entre Rios Province, according to Inspector Lujan Gonzalez, the provincial police chief.

The police chief refuted rumors about wounded people and a shoot-out. He said that only warning shots were fired by guards inside the regiment.

The tank regiment has not released an official report on the incident but has reported it to the police.

Navy Fires On, Seizes Korean Fishing Trawler

PY1505221291 Buenos Aires BUENOS AIRES
HERALD in English 15 May 91 p 13

[Text] (DYN)—The Argentine Navy corvette ARA Espora yesterday fired its cannon twice against a Korean trawler illegally fishing within the Argentine exclusive zone. The trawler was eventually held up and seized. Last night it was being towed towards Puerto Deseado, it was officially reported.

The incident took place yesterday 347.4 km (193 miles) east of Comodoro Rivadavia in the province of Chubut. In that area, where fish stocks are rich, trawlers from a host of countries are continuously fishing on the very edge of the exclusive zone. The zone's border has seen the Argentine Navy and the Coast Guard detain many intruder fishing vessels in recent years.

Yesterday's intervention by the Navy, though, marks the first such action by an Argentine warship for the sake of capturing an fishing vessel illegally fishing in territorial waters.

Official reports indicated the poacher, identified as Jing Yang 103, tried to escape on being signed to stop work. The ship's run forced the Espora to fire two intimidatory shells at its bow. Eventually the Korean trawler gave up its run.

A communique released by the Navy did not specify the type and quantity of the fish found by the Navy aboard the Korean fishing trawler.

Bolivia

Army Commander Comments on Anticorruption Plans

PY1505142291 La Paz Radio Fides Network
in Spanish 1100 GMT 15 May 91

[Report by Nataniel Alvarez from Radio Santa Cruz]

[Text] Army Commander in Chief General Guido Sandoval arrived in this capital yesterday. He stated that corruption within Army ranks will not be permitted.

During his visit the Army commander in chief said that all disciplinary mechanisms will be applied to prevent and deter corruption among the military forces which are joining the antidrug struggle.

Guido Sandoval announced in his remarks that the Army will emphasize alternative development for the eradication of coca crops and that interdiction will be used as a secondary measure.

PRC To Finance Drilling for Water Wells

PY1505143491 La Paz Radio Fides Network
in Spanish 1100 GMT 15 May 91

[Report by Marina Soriano from Tarija]

[Text] The PRC Government has confirmed the drilling of 60 water wells in Tarija Department. Through a note sent to the Bolivian Foreign Ministry, the PRC Government has confirmed financing for the drilling of 60 water wells and equipping 10 more in the Tarija Valley and Gran Chaco Province.

The PRC assistance was confirmed in a final document signed on 2 May 1991 in the city of La Paz by Hernan Michel, Codetar [Tarija Public Works and Development Committee] representative, and PRC Government representative Mr. (Xi Wei Ming).

According to the specifications, the PRC Government will finance the cost of drilling 60 water wells, the supply of pumping equipment, and the complete installation of water supply systems for household and cattle use.

The work which will begin in early 1992, will be completed within 36 months, after which the water wells will be delivered to Codetar in operating condition.

The water wells will be located as follows: 19 in Gran Chaco communities on the right bank of the Pilcomayo River; 17 on the left bank; six in Yacuiba; eight in Villa Montes and neighboring towns; and 10 in Tarija Valley.

Brazil

Secretary Says Economic Policy To Continue

PY1505181291 Brasilia Radio Nacional da Amazonia
Network in Portuguese 1000 GMT 15 May 91

[Report by Cristina Indio do Brasil]

[Text] It has been determined that the government will not change its economic policy and that it will improve dialogue with businessmen.

According to Economy Ministry Executive Secretary Luiz Antonio Goncalves, the new economic team will not make any changes in economic policy:

[Begin Goncalves recording] The economic policy will not be changed; it will still emphasize the program devised and conducted by the president of the Republic. Some economic policymakers have been changed, but the economic policy is still outlined by the president of the Republic and it has been decided to continue with this policy until full success is achieved. [end recording]

Romeu Tuma Resigns From Revenue Office Post

*PY1505130691 Brasilia Voz do Brasil Network
in Portuguese 2200 GMT 14 May 91*

[Text] The situation at the Federal Revenue Office continues to be uncertain. Romeu Tuma confirmed today that he had placed his position at the disposal of Economy Minister Marcilio Marques Moreira.

Federal Revenue Director Romeu Tuma has not formally resigned but he left Economy Minister Marcilio Marques Moreira free to decide whether he will continue in his post. Romeu Tuma said he talked with the minister yesterday and the two evaluated his tenure at the Federal Revenue Office. Tuma did not confirm his departure but said that he did not have any reason to stay on because the department must be restructured, an action he himself supports.

[Begin Tuma recording] With the investigation of the secretariat's budget, which was ordered by the department's director, the office lost its main function, which is to draft tax policy. This is not bad, but all the measures were taken by the economic team. [end recording]

Romeu Tuma said he had accomplished all his goals in the area of supervision, that he always enjoyed the support of former Minister Zelia Cardoso de Mello, and that the Revenue Office had collected 1.17 trillion cruzeiros in April.

Minister Marquez Names Members of Economic Team

*PY1505125491 Brasilia Voz do Brasil Network
in Portuguese 2200 GMT 14 May 91*

[Text] Economy Minister Marcilio Marques Moreira has just announced from Planalto Palace the names of the members of the new economic team, as approved by President Fernando Collor:

Lafaiete Coutinho, current Federal Savings Bank [CEF] president, is now president of the Bank of Brazil;

Alavaro Mendonca, current CEF operations director, becomes CEF president;

Luis Antonio Goncalves, current Bank of Brazil financial director, becomes Economy Ministry executive secretary;

Roberto Macedo, Sao Paulo University professor, becomes special economic policy secretary;

Dorothea Werneck, a professor who served as labor minister under the Sarney administration, becomes national economic secretary;

Pedro Parente, current Serpro [Federal Data Processing Service] director, becomes planning secretary;

Luiz Fernando Wellisch becomes national finance secretary;

Eduardo Modiano has been named president of the National Bank for Economic and Social Development, BNDES;

Ary Oswaldo Filho has been named president of the Securities Commission;

Diplomat Celso Marcos Vieira de Souza becomes Economy Ministry chief of staff;

And Tercio Sampaio Ferraz, former Justice Ministry executive secretary, becomes comptroller for national finance.

After announcing the names, Minister Marcilio Marques Moreira returned to the Economy Ministry where his whole team is meeting at this time.

Economic Policy Secretary Stresses Social Field

*PY1605033291 Brasilia Voz do Brasil Network
in Portuguese 2200 GMT 15 May 91*

[Text] Economic Policy Secretary Roberto Macedo today in Sao Paulo defended the free labor-capital bargaining system for salary readjustments. He said he will propose the idea for discussion before the new economic team. He added that the lifting of the price freeze must be slow and negotiated, in a process combining monetary and fiscal measures. In the social field, Macedo already has some proposals he intends to move forward.

[Begin Macedo recording] Given my professional background, I will propose some ideas in the social field to try to make the economic adjustment programs compatible with social policy, concentrating primarily on those who suffer the most from recession. Therefore, I have some ideas about [words indistinct] like unemployment insurance, employment programs for certain areas, investments, the possible stocking of food, and the possible review of nutrition and health programs. I think government economic officials must work together with the social workers. [end recording]

To become economic policy secretary, Roberto Macedo is leaving the presidency of the Sao Paulo Economists Association.

Senate Approves Central Bank Nomination

*PY1505182491 Rio de Janeiro Rede Globo Television
in Portuguese 1600 GMT 15 May 91*

[Excerpt] The Federal Senate in Brasilia has approved the nomination of economist Francisco Gros as Central Bank president.

With the presence of 63 of the 82 senators, the Senate began the discussion to vote on the nomination of the new Central Bank president. Economist Francisco Gros did not attend the session. All bloc leaders made speeches on how their blocs should cast their votes. Francisco Gros' nomination was approved by a 53-to-10 vote.

The new Central Bank president is scheduled to be installed tomorrow morning. [passage omitted]

Federal Police Chief Receives Arms Dealers List

PY1505144491 *Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 15 May 91*

[Text] Edson de Oliveira, Federal Police superintendent for Rio de Janeiro, has delivered to Federal Police Chief Romeu Tuma a list of 150 Brazilian arms dealers who operate in the United States. The names will be kept secret until the Federal Police identify the new routes for arms smuggling. The arms come to Brazil from Miami in the United States, in some cases through Bolivia and Paraguay.

Collor Departs for Official Visit to Spain

PY1505125091 *Madrid EFE in Spanish 0205 GMT 15 May 91*

[Excerpt] Rio de Janeiro, 14 May (EFE)—Brazilian President Fernando Collor de Mello left today for a five-day official visit to Spain during which he will meet King Juan Carlos and Spanish Prime Minister Felipe Gonzalez.

Collor left on a commercial jetliner which departed the local Galeao airport at 2230 local time (0100 GMT 15 May), accompanied by his wife Rosane, Foreign Minister Francisco Rezek, Presidential General Secretary Marcos Coimbra, and General Agenor Homen de Carvalho, chief of Collor's military staff. [passage omitted]

Chile

Supreme Court Calls Rettig Report 'Thoughtless'

PY1605032091 *Santiago Radio Cooperativa Network in Spanish 2300 GMT 15 May 91*

[Text] This afternoon the Supreme Court made public its ruling on the Truth and Reconciliation Commission report. In a 24-page ruling, the Supreme Court said that the commission, overstepping its power, passed judgment on the courts of justice in a passionate, tendentious, and thoughtless manner as a result of irregular investigations and political prejudice that ended up placing judges at the same level of responsibility as those who actually committed human rights abuses.

The Supreme Court's reply to the Rettig report ends by noting that the conclusion can be made that the commission's report is not necessarily a reflection of the whole truth with regard to the judiciary branch, as the report purports to be.

The Supreme Court says that the ruling does not mean in any way whatsoever that the judiciary branch should resist or refuse to decisively cooperate in improving the rules that regulate its functions so its actions can be more effective and within the reach of anyone.

That is the Supreme Court ruling severely criticizing the Truth and Reconciliation Commission report; it was made public this afternoon.

PCCh Files Suit Over 1976 'Kidnapping'

PY1505134291 *Santiago Television Nacional de Chile Network in Spanish 0000 GMT 15 May 91*

[Text] The Communist Party of Chile (PCCh) has filed a lawsuit against retired General Manuel Contreras citing his responsibility in the arrest and disappearance of five PCCh militants.

Attorney Hugo Pavez filed the lawsuit on behalf of the PCCh. The document, which is more than 40 pages long and was presented at the 10th District Court, accuses Gen. Contreras as former Dina [National Intelligence Directorate] director as being responsible for the kidnapping of five PCCh members who were arrested and have been missing since 1976. The missing PCCh militants are Victor Diaz Lopez, Mario Samorano Donoso, Uldarico Donaire Cortez, Jorge Munoz, and Jaime Donato Avendano.

[Begin Pavez recording] They disappeared in 1976. Four of them were held at a crummy place that had been set up by Pinochet's dictatorship, specifically by the Dina. The fifth person, Comrade Victor Diaz Lopez, was the party's deputy secretary general when the coup took place in 1973. [end recording]

The lawsuit against Manuel Contreras was filed at the 10th District Court under Judge Patricia Gomez Sepulveda. According to attorney Hugo Pavez, our laws do not establish a statute of limitations for the crime of kidnapping and therefore the amnesty law cannot prevent an investigation of the crime.

Colombia

Commissions Recommend 'Ban' on Extraditions

PA1505130691 *Bogota Radio Cadena Nacional in Spanish 1209 GMT 15 May 91*

[Text] The first and fourth commissions of the National Constituent Assembly have decided to prohibit the extradition of Colombians. After a prolonged discussion, the members of the two commissions decided to recommend that the Constituent Assembly tacitly ban the extradition of Colombians in the new constitution.

The full text of the article approved by the two commissions reads as follows:

The extradition of Colombians is prohibited. The extradition of foreigners because of political charges or charges of opinion will not be granted. Colombian citizens residing in the country who, while abroad, have committed crimes that are considered crimes according to national laws will be processed and brought to trial in Colombia.

Details concerning banning extraditions are still pending in the plenary sessions of the Constituent Assembly.

Constituent Assembly Member Hernando Londono Jimenez told Radio Cadena Nacional that the fourth commission of the National Constituent Assembly will present a proposal for the repatriation of Colombian nationals who have been extradited. Londono Jimenez proposed the repatriation of the Colombian nationals who are serving sentences abroad in order to enhance the citizens' guarantees and to strengthen the national sovereignty. The Constituent Assembly feels that it has a legal duty to repatriate citizens who are serving sentences in other nations, Londono Jimenez pointed out.

Guerrillas Announce Cease-Fire To Support Talks

PA1505131191 Bogota Radio Cadena Nacional in Spanish 1216 GMT 15 May 91

[Text] Cali—The Simon Bolivar Guerrilla Coordinating Board has announced an end to its military activities in Valle del Cauca to show support for peace talks scheduled to begin today with the government of President Cesar Gaviria Trujillo in Cravo Norte, Arauca Intendancy.

The decision was announced by the regional peace commission through its coordinator Raul Caicedo.

Attack Police Before Talks

PA1505141591 Paris AFP in Spanish 0711 GMT 15 May 91

[Text] Bogota, 14 May (AFP)—Despite the fact that peace talks are scheduled to begin on 16 May [date as received] between the guerrillas and the Colombian Government, the guerrillas continued their subversive actions today by killing two policemen and wounding eight others in the eastern part of the country, military spokesmen reported.

A column of the Simon Bolivar National Guerrilla Coordinating Board staged an incursion into the small town of Tamara, Casanare Province, 400 km from Bogota, destroying the police station, killing a corporal, a policeman, and wounding eight others.

Four of the wounded had to be flown to Bogota because of their serious condition.

The guerrillas, who belong to the Revolutionary Armed Forces of Colombia and the Army of National Liberation, seized 21 rifles, the spokesmen reported.

The attack occurred a few hours before the beginning of the talks between delegates of the government and the guerrillas, scheduled for 15 May in Cravo Norte, Arauca Province, 700 km east of the capital. The talks will lay the groundwork for the peace dialogue that is to be held abroad, possibly in Venezuela.

Adviser Rules Out Cuba as Peace Talks Site

PA1505140591 Paris AFP in Spanish 0651 GMT 15 May 91

[Text] Bogota, 14 May (AFP)—The Colombian Government has ruled out Cuba as a possible site for peace negotiations with the guerrillas, according to presidential adviser Carlos Eduardo Jaramillo.

Speaking on a radio network from Cravo Norte, a small town in Arauca, 700 km east of Bogota, where the talks will begin on 16 May [date as received], the official said today that "the sole condition of the government regarding the negotiations is that the chosen country have diplomatic relations with Colombia."

Jaramillo said this condition automatically rules out Cuba, a country with which Colombia broke diplomatic relations years ago after accusing Fidel Castro of helping the Colombian guerrillas.

At the 16 May meeting, the site and date for the beginning of peace talks between the government and the Simon Bolivar National Guerrilla Coordinating Board will be determined. A likely place is Venezuela, a "friendly country" whose authorities have already voiced their willingness to welcome the delegates of the two parties.

Santander Mayors Sign Pacts With Guerrillas

PA1505122091 Bogota EL NUEVO SIGLO in Spanish 8 May 91 p 7

[Report by Enrique Rivas G.]

[Excerpts] Although an attack on 5 May against Puerto Wilches Police Commander Israel Roballo Rojas is neither the first nor the last violent action in Santander Department, it could serve as a "thermometer" to measure the degree of savagery to which this region has been subjected.

Although 32 policemen are being held by the guerrillas, Colonel Jose Eugenio Reyes Lopez, commander of the Santander Police Department, and Jose Vicente Villamizar, the government's departmental secretary, who is in charge of dealing with public order, do not consider the situation very discouraging. [passage omitted]

However, for certain conservative and liberal political leaders in the department, the public order situation is not flattering. This other side of the coin is reflected in certain data and information that have come to EL NUEVO SIGLO's attention: 80 percent of the land on farms in the department is controlled by the guerrillas; almost all of the mayors have received death threats; reported kidnappings are averaging more than four per month; the average number of violent deaths in Barrancabermeja, one of the leading cities in Santander, is five per day; and guerrilla occupations average two per week. [passage omitted]

This unbridled increase in violence has, for example, prompted the signing of unspoken agreements between the guerrillas and mayors in 30 of the department's 86 municipalities. The mayors evidently view the agreements as a way to survive life in the crossroads of violence.

In some departmental leaders' opinion, the solution to the armed conflict, that has caused over 60 terrorist attacks on different economic sectors in the region, must be political. According to these leaders, when a war is lost it is necessary to negotiate. [passage omitted]

Nevertheless, this solution, which was set in motion some weeks ago in Garcia Rovira Province, where eight mayors signed an agreement with the FARC's [Revolutionary Armed Forces of Colombia] 23d front, must wait a reasonable period because the agreements were not authorized by the government.

According to the region's politicians, the authorities' defeatist attitude toward the subversives in Santander could not prevail; it brought to public attention cases such as Barrancabermeja and San Vicente, where the public force asked the guerrillas not to attack them so that they would not have problems with their superiors. [passage omitted]

Although it is not openly acknowledged, the tactics against subversion in the department have begun to change noticeably, at least within the police force.

Secretary Villamizar and Col. Reyes Lopez explained that the trend is for government institutions to better serve the people. The police must not be repressive, rather they should be a preventive body.

The plan will be implemented with leaflets and the joint effort of civilian and military authorities.

The two officials clearly explained the strategy: "Without firing any shots, the police will seek reconciliation with the people."

The purpose of the strategy is to recover territory in 20 towns where there is no police control. [passage omitted]

Gaviria, Assembly Presidents Discuss Amendments

PA1505035191 Bogota EL TIEMPO in Spanish
10 May 91 p 7A

[Text] President Cesar Gaviria and National Constituent Assembly Presidents Horacio Serpa, Antonio Navarro Wolff, and Alvaro Gomez Hurtado yesterday reached an agreement in principle to discuss constitutional amendments at the plenary sessions in blocs according to topic, rather than individually.

Gaviria and the three Assembly leaders met yesterday morning at Narino Palace.

A specific point discussed at length during the meeting was the "political tension" that has recently prevailed at the Constituent Assembly. All agreed that it was necessary "to cool things off."

According to the three leaders invited to Narino Palace, the government is quite concerned about how little time there is left to discuss the reforms in two plenary debates. Only 10 articles about general principles, along with the preamble, have been approved so far in the first debate, and there are barely 56 days left to conclude the period of sessions.

The participants in the meeting reached a consensus on the need to debate and approve the amendments "in blocs according to topic," rather than individually—for example, to study the bloc of articles dealing with justice, the bloc of articles dealing with rights, the bloc of articles dealing with Congress, etc.

Likewise, they agreed on the need to organize groups at the plenary sessions, starting on 16 May, to reach agreements on specific issues, and later to appoint a spokesman to represent their position at the plenary session. The different political party groups could also do this. They also discussed the need to discuss all topics openly.

President Gaviria reiterated his wish for the Congress and the Constituent Assembly to communicate and exchange their views about the dimension of the reforms to the legislative branch.

They also began to study the possibility of having the Constituent Assembly's "Political Agreements Commission" explore the possibility of reaching an understanding with the Congress groups to end the conflict created by the news that the legislative elections might be brought forward.

Paraguay

Uruguay's Lasalle Views Regional Integration

PY1605023691 Asuncion NOTICIAS in Spanish
15 May 91 pp 4, 5

[News conference by Uruguayan President Luis Alberto Lacalle Herrera at the chancery of the Uruguayan Embassy in Asuncion on 14 May with foreign and domestic correspondents]

[Excerpts] [passage omitted] [ANSA] You do not seem to be very optimistic about the overall integration of Latin American countries. What is your opinion, then, of President George Bush's Americas Initiative?

[Lacalle] Bush's proposal does not refer to integration. It refers to three things. Let us review them because in June it will commemorate its first anniversary. It talks about the dream of a free trade zone from Alaska to Tierra del Fuego. It is notably a dream, although it is important to have dreams. It is important to have long-term goals. It

also talks about cooperation and treaties between the United States and the blocs that are emerging, such as Mercosur [Common Market of the South]. Then, it talks about bilateral pacts between the United States and the American countries, one by one.

It talks about three levels. The so-called four-plus-one agreement, involving Argentina, Paraguay, Uruguay, and Brazil with the United States, is under preparation, although a standard agreement is ready to be signed. [passage omitted]

[NOTICIAS] Long before the legal integration of activities of countries of the region, there was solid informal and illegal integration. The organized underworld is integrated. Cars stolen in Brazil are sold in Paraguay and Bolivia or bartered for drugs. The money earned from drug trafficking is laundered in Montevideo or Asuncion. What is your opinion of this?

[Lacalle] I have said several times that the two strongest multinational organizations are those of terror and drug trafficking. When talking about multinationals we must remember this fact. I think governments must not be judged by their pathological situation. Of course there will always be criminals and those who act dishonestly, who will associate for criminal purposes, who will seek shelter, and who will cooperate.

Concerning drugs, let us look into the five steps to assume our corresponding responsibilities. There are countries that produce the drug; there are places where it is prepared; there are countries where it is consumed; there are places where the drug is transported; and countries where the money is "laundered." Consumption is the axis. All of us who make up international society must assume our responsibility. It is easy to point a finger at a peasant who in a given place plants something that he does not consume but for which he is paid well.

We must provide that peasant with another alternative, an education to show him that he is causing unintentional harm. We must combat drug trafficking. We must struggle against consumption. If there were no consumers there would be no drug trafficking. Consumption is the main cause of the problem. We must fight money laundering. Uruguay is an honorable financial market because I do not admit it to be judged by its pathological situation, because otherwise, I would have to ban the airstrips because many people die in accidents on those airstrips, and I cannot say that there are no airstrips, because 100 or 200 people have died on those airstrips.

The Uruguayan banking system, which has the logical secrecy of a financial system, has a legal instrument that has been used several times. Bank secrecy was lifted and the people who were misusing a good system were prosecuted. We have signed a judicial cooperation agreement with the United States—which shows Uruguay's goodwill. When an illegal situation is detected or suspected, the financial system will open its doors because that is the correct thing to do. [passage omitted]

Comments on International Trade

PY1505193091 Asuncion HOY in Spanish
15 May 91 p 6

["Lecture" by Uruguayan President Luis Alberto Lacalle to politicians and business representatives at the School of Management and Business in Asuncion on 14 May]

[Excerpt] In President Luis Alberto Lacalle's opinion, there are two contemporary crises: the Persian Gulf and international trade. Efforts are being made to solve the international trade crisis through the Uruguay Round. The head of state explained: "I listed them together because, despite the tragic aspect of the Gulf crisis, the rowdy character of that war, and the coverage it has received in the media, it produced substantially less material loss than is produced by protectionism and unfair trade among nations in the international trade crisis."

Lacalle added: "The Gulf crisis attracted television coverage but the trade crisis, which is much more subtle and therefore more dangerous, has a diabolical influence on relations among nations because it prevents prosperity from being the fruitful raw product of international relations."

Lacalle made this categorical remark at the beginning of his lecture explaining the most important points being faced by the political class in our region. The other points were the downfall of the "Soviet empire," changing the world to a unipolar situation from a bipolar situation, and the signing of the Asuncion Treaty (which legally established the Mercosur [Common Market of the South]).

Concerning the Asuncion Treaty, Lacalle explained: "It may not be a great treaty, but it is an important instrument. To the extent that we boldly implement it, the Mercosur will be viewed as a turning point, as a point of change in the history of our countries." [passage omitted]

'Concerned' Over Subsidized Sales

PY1505190291 Asuncion NOTICIAS in Spanish
15 May 91 p 5

[Text] Uruguayan President Luis Alberto Lacalle Herrera reiterated yesterday that Paraguay, Argentina, and Uruguay are concerned about the sale of subsidized meat and wheat to Brazil by the EEC and the United States, respectively.

Lacalle said these operations "are not in line with the spirit that must prevail" in the region. He said: "These are the sort of things we will have to study. Similar situations will arise because the Mercosur [Common Market of the South] is not an automatic or immediate process. This is a gradual process and we believe compensation mechanisms must be established."

The issue revolves around the fact that the region produces meat and that there is currently a surplus of wheat.

Within the framework of the integrationist spirit that is being promoted, the proper thing would be for Brazil to purchase the products it needs from countries in the region. But the integration process is undermined when suppliers outside the region resort to "dumping" [preceding word in English] practices; that is, to the unfair practice of subsidizing prices to eliminate competition.

Lacalle Herrera stated that a country that violates the rules should compensate those affected. He said this procedure will be developed on the basis of a mechanism he will propose at the proper time.

Lacalle made these statements during a news conference he attended for about 30 minutes at the Uruguayan Embassy in Asuncion.

Agreements on Drugs, Taxes Signed

PY1505140291 Asuncion *ULTIMA HORA* in Spanish
14 May 91 p 13

[Text] Paraguayan Foreign Minister Alexis Frutos Vaesken and his Uruguayan counterpart Hector Gros Espiell today signed an agreement through which the Paraguayan and Uruguayan Governments will conduct an all-out struggle against drug trafficking. The two ministers also signed four other agreements aimed at improving bilateral trade and scientific relations. As for the agreement on drug trafficking, the two countries have committed themselves to making joint efforts, harmonizing policies, and implementing specific programs to control and repress drug trafficking.

They also signed an agreement that seeks to prevent double taxation on profits resulting from the use of international airlines. Through the agreement Paraguay will exempt Pluna [Uruguayan National Airlines] from taxes on profit, nonresident dividend earners, certain types of economic entities, fiscal permits, and sealed paper and stamps.

Uruguay, in turn, will establish tax exemptions for LAP [Paraguayan Airlines].

Peru

Fujimori Presents U.S. Drug Accord to Congress

PY1505041691 Lima RTP *Television Network*
in Spanish 0204 GMT 15 May 91

[Speech by President Alberto Fujimori to a joint session of Congress at the Congress building in Lima—live]

[Text] Mr. President of Congress, senators, deputies, and ministers: First, I want to thank the entire National Congress for receiving me on this occasion. I must also thank Congress for the patriotic gesture of goodwill in favorably considering—in the respective congressional committees—the special faculties the executive branch has requested. These special faculties will allow us to pass laws pertaining to urgent national problems.

Almost 300 days have gone by since I came to power. No one will doubt that this period has been one of the most serious in our republican history. As has seldom been seen, many evils have fallen upon us. In order to have a clear idea of our reality one must sometimes move to a distance, and this happened to me when I visited Nagoya and Guadalajara, where I contacted governments, institutions, and businessmen. There, I observed the bewilderment—the bewilderment experienced before something strange—felt abroad with regard to Peruvian reality, which is made up of unusual events that are unbelievable for inhabitants of the comfortable first world. Helpless children and a lack of drinking water are common daily scenes in our country, where the basic services of 20th Century man do not exist; millions of Peruvians live an existence estranged from modern civilization—pariahs of their times.

Hyperinflation, Peru's devastating economic crisis as a result of the Peruvian state's waste of resources, has caused surprise abroad and bewilderment in financial circles. The violence of subversion and brutality that death and fanaticism have associated to produce present our country to the international press and television as a country near disintegration. And, as if our inventory of calamities were not enough, we have had earthquakes and cholera. How can we live in Peru, asks the common man abroad, the man whose life is more or less predictable, whose life is more or less ensured by a rational state that maintains roads, hospitals, schools, social security, and public safety, the man for whom the horrible crimes that fill the pages of our newspapers are not daily events, but occasional ones that shock society.

The great task entrusted to us by Peruvian history and the Peruvian people is to heal the country of such deep wounds. Without a doubt, this is a heavy task that will test our good sense and courage, our unselfishness and love of Peru. For almost 300 days, my government has taken many steps down what it considers to be the right path for reversing the situation I have depicted. We are not infallible—nobody is—and we certainly make mistakes, but we have a firm determination to serve Peru.

My presence in Congress has a very special significance. Although provided for in the Constitution—Paragraph 11 of Article 211—it is unusual for the president of the Republic to appear in Congress on a date other than 28 July, when he has to deliver his annual message. For the first time in recent decades, I am departing from that practice because I have deemed it necessary to address you and the nation to analyze as objectively as possible one of the most serious problems affecting our republic—the drug trade—and to brief you on the drugs and alternative development agreement. In accordance with Article 104 of the Constitution, it would have sufficed for me to submit the written version to Congress, but I felt that, considering the significance of the subject and the gratitude I owe you, my presence here was important. [applause]

The scope that drug trafficking has attained in Peru imposes on you, as well as on me—who holds a popular

mandate—a historical responsibility of equal or greater magnitude. We can no longer deny that drug trafficking has ceased to be just another criminal activity and has become—without any exaggeration whatsoever—what can be described as a cancer that is inexorably spreading. The drug trade not only mars our international image and not only presupposes a violation of our sovereignty by the criminal organizations that live off drug trafficking with no respect for national boundaries, but it seriously hampers our process of economic stabilization and it has now entered into an association with terrorist subversion, thus endangering our very national security.

We are in time to stop a process which, with some variations, has ended elsewhere in national disintegration. The experience of the ASEAN countries, where three armies are in confrontation, destroying nations, making them unviable by placing them in the hands of drug traffickers whose interests in the opium trade are protected by those armies, seems remote and impossible.

I wonder if in 1978, barely 13 years ago, I mean in 1979, when the National Constituent Assembly was installed, anybody thought about narcoterrorism. It is obvious that since then an unpredictable process of moral decay and social disintegration so severe and swift that we feel we are living in a nightmare has taken place. Having learned this lesson, let us try to understand that the situations prevailing in those countries are not impossible and that we are being seriously threatened.

Above and beyond the differences of opinion that will always exist there is the need to stand together against international crime organized by the drug traffickers. We must see this task as a true national crusade.

The agreement between Peru and the United States of America on the issue of drug control and alternative development has been the subject of lengthy negotiations. Peru's representatives, who for six months have been discussing the terms of this agreement following my express instructions, have not had an easy job. The proposals of the other party had to be reconciled with our own position and accepted as long as they were not unreasonable and did not violate the Constitution and current laws.

On 28 July I told Congress that we believed in an overall approach to drug trafficking. I stated that I did not at all see eradication as a simple military issue. This would imply the destruction of our soil, the impoverishment of Peruvian farmers who are pressed into coca farming by a lack of economically feasible options and the indubitable pressure exerted by the demands of a powerful market outside Peru.

Currently, very sophisticated technology is available for the eradication of coca plantations. We have, however, repeatedly stated that this would be not only an overly simplistic solution, but also one that would greatly harm Peru. The deforestation that would result from the use of Spike or similar biochemical agents would seriously,

perhaps irreversibly, damage the environment. Desperation sometimes prompts one to take suicidal measures. We have opted for waiting, analyzing, and comparing technical opinions and we have arrived at the conclusion that the use of such agents or biological defoliators, including fungus, harm national interests.

I politely invite the members of the Environmental Defense Committee of this Congress to support my position and remain on guard against such irrational methods for the eradication of coca plantations. [applause]

This position has not been undermined as a result of Peru's firm decision to staunchly abide by this government premise.

It is important to note that the negotiated instrument is not a simple, generic framework for reference, but it contains definitions of policies and intentions by both parties. The importance of this fact is clear if we consider that countries that propose concrete intentions and policies for others have the advantage of a favorable negotiation based on logical proposals.

This bilateral agreement foresees a political understanding under equal conditions. It is a coherent understanding between the country that consumes 80 percent of the cocaine produced in the world and the country that produces 60 percent of the basic component for that production. I must also point out that the U.S. agreement to assume a firmer commitment and implement new strategies is nothing more than a logical recognition of coresponsibility in the drug trafficking problem. This will be reflected in concrete realities over the next six months, a time period which, as determined by the agreement, may be extended.

I think that carrying out negotiations for so many months in search of an instrument that interprets our position and that is effective has been worth the effort. It would certainly have been less complicated to abide with the routine signing of military, police, and cooperation agreements as proposed to us in October and November 1990. Signing such agreements would have meant a comfortable continuity that, although it would not have solved the problem, would have maintained a relatively tranquilizing and formal status quo.

I have not, however, been elected to live in relative tranquillity while all around me the country is suffering a great crisis. I think that everyone here has received a singular mandate from a majority of the people: To save the country from ruin. Nothing justifies a lack of action or impassiveness or an absence of emotion or commitment.

The possibility of continuity was based on the fact that the national citizenry understood that drug trafficking was a problem of consumers, of whom there are over 10 million in the United States and only 25,000 in Peru. This was evident given the fact that only a scarce 3 percent of the Peruvian public considered it a priority issue.

After a few months went by and once the problem was presented under a perspective of national interest and dimension—but for a reason other than consumption—the citizenry became convinced of the need to reach a cooperation agreement in the field of drugs. This is demonstrated by the fact that 80 percent of the public favors this initiative. This clearly demonstrates how people have become aware of the importance of the problem and of the national reason we have for thinking in this way.

The drug problem is one of the main obstacles to our development. There are two—among others—main reasons for this. The first reason is external. It places our country at a disadvantage, makes it a corrupt country under international suspicion, thus reducing the international community's confidence in us and increasing our isolation.

The second reason is internal because if things continue as they are developing, Peru is on the way to becoming a totally narcoterrorist country in which the ideas for which we fight will no longer be important; the only goal will be the illegal profits of groups and factions with a complete lack of morals and altruism; and there will be minimal conditions for social coexistence.

We believe that the catalyst for this problem was the way the problem was focussed; that is, from a strictly police and repressive point of view. This has led to a worsening of the situation and has made terrorists the henchmen of drug traffickers and forced peasants to join their alliance. In light of this situation, we believed that we had to do something very quickly within the framework of new plans and strategies. We do not believe there are any Peruvians who would like to see their country made into a Lebanon where there are over 80,000 men under arms, organized in irregular troops and factions that defend the interests of the different drug trafficking groups destroying that country, in which over one-third of the GDP comes from drugs.

Had Peru followed the routine of signing agreements as a protocol based only on the viewpoint of repression, it would have been practically impossible to win this war because of the hard conditions of austerity and macro-economic stabilization that we have planned. Our history, our bloodshed, and the future of our children forces us to avoid this situation in order to start working for the recovery and projection of the country by developing it with justice, liberty, and peace. [applause]

Looking beyond the policy of repression that would have led us to a Vietnamization—which is what is obviously wanted by the Shining Path—we decided on the implementation of alternative development, equal opportunities, and social defense without discarding public order and security actions, which are necessary for justice and equity. This is why I made a proposal on this matter and this is why the bases for alternative development were initially established in this agreement for later expansion. This action for alternative development should be

carried out as a national crusade, not only by the president but by the entire country.

There are six important achievements with a political basis in the accord. The first is recognition by the two countries that the strategies and actions carried out thus far in the struggle against illegal drug trafficking have failed. This is admitted in the second paragraph of the accord. Specialists, technicians, and politicians of the two countries agreed on this, although it was not officially admitted.

It is clear to the common citizens that the only thing the old strategy achieved from the supply side was the impoverishment of Peruvian peasants, a more violent depredation of the environment, and an escalation of violence at the regional and national level as never before seen. At the other end, where the problem originated with demand, not even a 2 percent reduction of the drug supply was achieved. Even documents of the U.S. Congress admitted that none of the implemented measures, strategies, and policies were successful. On the contrary they aggravated the problem until it became a situation that was almost out of control.

The second point is a recognition of the diversity of causes in drug consumption and production. This diversity covers economic, social, political, internal security, and public relations aspects among others, and takes away any validity for a policy that is only based on a political or military solution or a combination of both.

This solution has not only been insufficient, but in some cases it has been counterproductive. We must clarify something here: It has been said that this agreement seeks to militarize the country. This allegation is not true and the final wording of this document is proof of what we are saying.

We must realize, however, that militarization of the coca zones has taken place in recent years without us having planned it. The large number of troops and police personnel deployed in the coca zones, in a disproportionate way and far above the normal needs of each area, is a clear signal of a militarization that we cannot fail to recognize.

A wrong strategy in the antidrug struggle has led us to this situation. It will be precisely with a different, better strategy that we will reverse this situation.

One of the agreement's objectives is prevention of a dangerous distortion of the roles of the Armed Forces and the police in a democratic state. To achieve this objective, it has first become necessary to raise dialogue from a merely police level to the highest possible political level, which can only be held in the highest political circles.

The following point is extremely important and it focuses on the situation of peasant coca growers, who have thus far been described at the international level as the initial links in a criminal chain. Both parties have recognized for the first time, after serious and measured

discussions, that the peasant coca growers are different from the drug traffickers, and therefore, are not criminals but legitimate counterparts in and of themselves who are capable of implementing a project seeking peace and economic growth.

This position is also based on the experience of other regions, such as the Golden Triangle in Southeast Asia or the Golden Crescent in the Middle East, where, owing to the lack of a solution that would truly be in the interests of the peasants and would reconcile these interests with those of the nation, the peasants were ultimately merely forced into the hands of violent groups, thus unleashing chaos.

In addition to our national reasons, both parties believed it fair to recognize that if the poor and destitute threatened by drugs in the United States are treated as citizens with problems and not as criminals—and their government has been implementing a domestic alternative development program—it would not be consistent to expect our peasants to endure harassment and repression without having first received opportunities and adequate treatment similar to those the United States is according its citizens.

Upon securing equal treatment, our dealings with the peasants and their organizations, as well as their participation in future programs both at the regional and national levels, will be feasible and legal and cannot be described as complicity with the drug trade. Thus, dealing with them will no longer bring shame upon the authorities who may attempt to do so.

Because of its significance there is yet another factor that should be taken into account: the possibility of establishing direct dialogue with the peasants and making it easier to establish contacts with them through their own legally established organizations. This will make it possible to reach agreements and implement policies that take into account the true interests of the parties involved, bypassing undesirable intermediate steps.

It is well known that dialogue is virtually impossible in countries where narcoterrorism has taken hold, less still is it possible to reach agreements with peasants involved in the production of raw materials for the drug industry because these peasants are under the yoke of organized criminal gangs.

This means that in order to begin negotiations, even for humanitarian purposes, under circumstances that are at times disgraceful, the government representatives of these countries and the representatives of the countries whose interests or those of their countrymen have been jeopardized by this problem are compelled to deal with warlords and drug bosses. We definitely want to eradicate this from our midst even before the first symptoms appear.

In other words, the coca farmer, just as any other citizen, may become with the help of the government, directly or through his own democratic organizations, a participant and not a victim of drug enforcement actions and will be

able to voice his concerns and reconcile his proposed solutions and actions with national and regional policies. [applause]

Under no circumstances shall we cast aside the use of police force for effective repression of drug trafficking and its ally, terrorist subversion. However, the actions that come as a result of implementation of this agreement and the antisubversive strategy will not be marked by brutality or indiscriminate repression to the detriment of innocent people, but by intelligent and well-planned efforts accompanied by full respect for human rights. Domestic security is an essential condition if we want to bring peace of mind and confidence to the peasants, businessmen, and workers in coca-producing areas and to reestablish the normalcy needed for overall development.

Thus, my administration will be firm, but its actions will always be compatible with the recommendations of the National Pacification Commission and the Congressional Committee for Pacification and Human Rights. Once it is organized and operational, the former will provide the framework of guarantees that society and the laws require.

The above leads us to the fourth [as heard] point: recognition that the farmers are experiencing this problem because bureaucratic red tape, and technical and financial privileges have plunged them into a process of impoverishment that has systematically denied them the ability to survive through legal means and has decisively contributed to trapping them into farming coca.

This means that the harmful production of coca may be replaced within the framework of a true and effective social market economy that is capable of offering everyone equal opportunities, marketing facilities and services, and effective bureaucratic mechanisms that will allow the market to work in favor of the poor.

I must mention here the important decree law, Supreme Decree 009 and 011 [as heard], which consolidates the land market and allows peasants to organize as best suits their interests as well as to qualify for credits. This measure, which is an amendment to the agrarian reform, has been received positively by the large majority of peasants and I expect it to be backed by this Congress. [applause]

The last point has been the recognition that Peru has a great deal to contribute to a solution of the drug trafficking problem; Peru has legitimate and viable proposals to confront it in a fair and effective manner. It is not, as it was in the past, a matter of accepting conditions and of admitting that one of the parties—the United States—can intervene in the territory with the cooperation of the other party—Peru—to defend its interests. It is now a matter of coresponsibility, with contributions from both the demand and the supply side. The signing of a political agreement proposed by Peru is sufficient to decisively confirm that coresponsibility.

Consequently, both governments have agreed on the following fundamental points: First, to establish a bilateral political understanding at the highest level, where the governments will associate to take action in their respective jurisdictions with support from the other party. This understanding will open the way so that in an initial six-month period, the concrete policies to be applied will be established, the most appropriate strategy in areas involved will be studied, and the high-level representatives who will manage the agreement will be chosen. Also, possible sources of financing and methods of funding will be studied so that policies, strategies, plans, and concrete allocations can be implemented in an effective, timely, and sufficient manner to guarantee the best probability of success.

Summing up, the United States and Peru are now partners in the common enterprise of securing higher ethical, technical, and political benefits for both nations and eradicating one of the largest factors of instability in both countries. Some have seen this relationship as some sort of undesirable submission, but I believe that those who think that are baring their prejudice and preconceived ideas, ideologically anchored as they are in the post-World War II era. [applause]

Why should a Latin American country that reaches an agreement with a great world power be considered a satellite? We do not see things this way. In this task, I repeat, Peru is a partner of the United States of America. We want and uphold a true, democratic inter-Americanism where relations are equal and not subordinate. [applause]

We must also not forget that the people voted against isolation and they approve of the measures that are leading Peru to its reinsertion in the international economic community. That reinsertion should be complete—in the fields of finance, economy, and trade. One must therefore not misinterpret a sovereign decision implementing urgent structural reforms and our effective reinsertion, which no one in the rest of the world considers to be surrendering. [applause]

Second, the treaty establishes the creation of participation mechanisms for all citizens interested in this problem so that, through their opinions, they can help establish a line of action and general criteria for reaching agreements and pacts with the peasants so that they substitute coca crops. The peasants must be recognized as valid interlocutors in development of a strategy and as the main executors of the struggle against drug trafficking. This implies our people's direct participation in decision making and the establishment of concrete policies in the field that concerns them, given their activity. It also means taking action, also in agreement with those involved, in those zones where people are emigrating to coca-producing areas and in other zones, which must be offered real economic and social alternatives for all Peruvians who ease the pressure from the conflictive areas.

Here, we must point out that narcoterrorism affects not only the areas that produce raw material for drugs, but it also affects all citizens of a country as demonstrated by our own reality and, in a more complex and extreme case, by the countries in the triangle of the Golden Crescent. Therefore, given that the problem of 250,000 coca-producing peasants is a priority, their problem should be understood by them and the rest of the citizenry as the problem of a country of nearly 25 million inhabitants, all of whom are potentially affected by narcoterrorism. In order to solve this problem, it is essential to understand it, to obey the will of the majority of the people, and to fairly and legally agree to positions.

Third, the alternative development problem must be understood within its real context of seeking economic development and not just substituting crops. This is why we have agreed together to encourage and implement legal economic and administrative reforms with the objective of carrying out a real structural adjustment to benefit the forgotten majority.

One must of course regard this structural adjustment as a technical aspect of state reform. The objective is to modernize the state and make it more expeditious so it can effectively discharge its duties of promoting economic development. This is in no way related to measures for economic stabilization, which take the form of adjustments or big packages in our country.

In this process of structural adjustment, we have taken a number of measures, some of them urgent, to promote a true market economy. We have eliminated long-standing bureaucratic stumbling blocks that were preventing productive activities, namely our exports, from being carried out normally.

Today, the state is at the service of production and not the contrary. This is noticeable both in ports and in ministerial offices.

Fourth, it has been agreed to promote and to implement alternative crops to coca—not just by selecting the best substitute crops, but also by promoting access to international and domestic markets, to land ownership, to credits, to technology, and to business activities. It has also been agreed to promote investments and international trade that will make the previous objective feasible. Wherever conditions are appropriate, private investments will be encouraged in Peru, taking into account specific characteristics and potentials.

Fifth, and in light of the eminently political and integrated approach with which the problem will be addressed, it is clearly stated that all military and police forces involved in the antidrug fight will be subordinated to civilian officials and that the appropriate security measures will be taken for these actions.

Sixth, another immediate objective is that of seeking national agreements by the public of both countries. This will be sought to give the greatest legitimacy to the antidrug struggle.

It is proper to note that our counterpart, the United States of America, takes into account the prevailing opinion of its citizens as part of an ongoing democratic process, which enables it to reaffirm its policies on the domestic front and to negotiate with other countries with strength and legitimacy.

In Peru we are searching for precisely that type of agreement, which would reflect the will of the people. We must evaluate the people's answers and respect the guidelines stemming from them.

Seventh, it is agreed that all actions and measures will be taken within a strictly constitutional and legal framework and will scrupulously respect human rights.

Eighth, for economic and financial purposes, the agreement links for the first time major U.S. proposals—such as President Bush's Americas Initiative and the Brady Plan of the U.S. treasury secretary—with Peruvian actions against the drug trade. Within this context, the possibility of reducing or exchanging the Peruvian debt to the United States and a strong economic reform program aimed at promoting Peru's economic growth can be considered.

Ninth, to put the antidrug struggle within the prospects of making alternative opportunities available to the poor Peruvian sectors, as is respectfully done with less privileged sectors in the United States, the presidential proposal is linked to the guidelines of President Bush's Project Hope, which is focused on less privileged sectors and allows the most sensible U.S. sectors to look at the problem from the standpoint of a fight against poverty.

Tenth, the possibility is recognized that military resources can also be used to support social, economic, and civic actions aimed at benefiting people residing in drug and violence-stricken areas.

It has also been agreed that the Armed Forces and the National Police should be equipped, to the extent possible, using local supplies, raw materials, and manpower. This will bring the Armed Forces and the National Police closer to their people through mutual benefit and greater solidarity.

Last, we must emphasize the connection between the Peruvian system of real estate titles and registration and environmental problems. Peasants will be given title to their property, to the land they occupy as long as they implement methods capable of preserving the environment and avoid predatory actions. All this should bring Peru to the attention of those who concern themselves with environmental problems.

Messrs. Congressmen, as I announce to the country the signing of this meaningful agreement, I would like to recall that Article 104 and Article 211, Paragraph 14, of our Constitution grant the president the power to sign or ratify international agreements on issues within his jurisdiction. [applause]

Furthermore, international public law and precedents on record lend support to my decision to sign the agreement on drug enforcement and alternative development. [shouts, applause]

Despite these presidential powers, I have chosen to come to Congress to seek a more lively, more direct dialogue on this subject. I am prompted by my honest desire to join wills and efforts for a nationwide crusade against the scourge of drug trafficking. [applause]

I am certain that this feeling is shared by the congressmen and the people. [shouts, applause]

I must clarify that powerful reasons have made it impossible to negotiate this agreement openly; that is, to disclose it to the people. In any negotiation, whatever its nature, the representatives of both parties must abide by the general guidelines established by their governments without having to always consult about each item on the agenda, which would render any negotiation impossible. [applause]

Furthermore, premature disclosure of information concerning an international negotiation may seriously jeopardize relations with the other party or with third parties and even the effectiveness of the agreement itself. Thus, the citizenry cannot be consulted about something that does not yet exist. [shouts, applause]

No agreement is valid until it is signed. Therefore, there is nothing to put up for public discussion. Once the agreement is reached it becomes final and can only be amended if the other party agrees to it. Thus, the citizenry cannot participate before the agreement is signed and afterwards, it cannot compel the state to amend the agreement without the consent of the other party. [shouts]

Beyond the clear constitutional and legal precepts that enabled me to make the decision to sign the agreement, beyond the tradition of international public law in the field of citizens' participation in international agreements, I want to stress that it has always been my government's intention—in our effort to democratize our decisions—to listen to the people's opinions. Only with the people's opinions can we obtain the necessary support to carry out an efficient struggle against drug trafficking.

I believed and continue to fervently believe that all government actions must be the consequence of a debate among the people; this is why, at the appropriate time, through the media, the first draft agreements were made public.

Congressmen, this agreement is the result of a negotiation in which we acted with realism as a country, but we have also made a great moral commitment with the international community. Given that this subject, because of its effect on national life, cannot be politicized, we have acted with our best good will and without

thinking of anything else other than drafting an effective instrument—not just another document—to defeat drug trafficking. [applause]

We have come a great distance from the strategies that failed in the past and that were repeatedly and unfairly attacked. If our experience as a country can serve other countries burdened with similar problems, so be it. [applause]

I want to tell you with modesty, without arrogance, but with firm conviction, that we are on the correct path to overcome the crisis. [applause]

I want to say that just as with the anti-inflationary struggle, the structural reforms, the antisubversive policy, and the process of reinsertion in the financial community, this agreement, which will serve as an effective instrument to defeat drug trafficking, will become another pillar on which a different Peru will be built—a country built by each one of us with the noble materials of ideals, a country that must no longer be unattainable and must no longer be besieged because it will flourish with our efforts. Thank you.

Government Calls For Debate

PY1605040091 Lima RTP Television Network
in Spanish 0230 GMT 16 May 91

[Text] The Presidential Press Secretariat has released the following official communique:

The secretariat conveys to the media and the people that now that Peru and the United States have signed the accord on a policy for drug control and alternative development, the Peruvian representatives in the negotiations have received express instructions to explain to the people and to the national and international media the contents and basis of the accord.

Secrecy about the accord was kept during the negotiations between Peru and the United States for reasons already explained by President Alberto Fujimori in his message to Congress to report on the signing of the agreement.

This is why the group of negotiators headed by Hernando de Soto, who is the presidential adviser on drug trafficking, refrained from commenting on the issue. The government hopes that a healthy national debate on the issue will be held as soon as possible in order to be able to have an objective understanding of an issue that is so important for the present and future of the country.

Lima, 15 May 1991. Presidential Press Secretariat.

Senate Leader Defends Fujimori

PY1605003691 Lima RTP Television Network
in Spanish 1800 GMT 15 May 91

[Carlos Becerra report from Congress building]

[Text] Despite his busy agenda, Senate President Maximo San Roman agreed to grant an interview to Lima RTP Television on his opinion of comments by congressmen from various political parties on President Fujimori's announcement of the signing of an antidrug accord with the United States.

[Begin recording] [Becerra] Senate President, what do you think about the announcement by the president of the Republic and especially about the opinions of all political parties?

[San Roman] We are undergoing a democratic process. I believe that all congressmen and the public have a right to voice their opinions. I want to stress, however, that this document was drafted well in advance by people who are experts on the matter. Some previous documents were even published and yesterday the president confirmed the signing of the accord.

[Becerra] But there have been some objections, especially those stating that the president had to submit this project to Congress before announcing the signing of an accord.

[San Roman] The president was very clear in defending his position. This is a human task that can be improved. We will listen carefully to any suggestions on the matter from congressmen and will coordinate actions with the counterpart to reach an agreement so the project can be implemented.

[Becerra] Is an amendment feasible?

[San Roman] Sure. The president has already said that. It has to be accepted by the two governments.

[Becerra] Can you mention the advantages of the project?

[San Roman] I think that the most important point is that peasants who are forced to grow coca leaf are not regarded as criminals, but as small agricultural businessmen. [end recording]

Coca Farmers To Protest

PY1505234091 Madrid EFE in English 2215 GMT
15 May 91

[Excerpts] Lima, May 15 (EFE)—Opposition parties on Wednesday [15 May] blasted a controversial Peruvian-U.S. accord aimed at curbing Peru's cultivation of coca, the raw material of cocaine. They criticized the agreement, signed Tuesday, as being too vague and said its effect would be determined by annexes which have not yet been negotiated.

A coca farmers' organization, meanwhile, called a demonstration to protest the agreement. The protest is to be held next weekend in the town of Tarapoto, in the northeastern Huallaga Valley where most of Peru's coca is grown. [passage omitted]

In a speech late Tuesday to Congress, Fujimori said his government had resisted U.S. efforts to "militarize" Peru's fight against drug trafficking. [passage omitted]

After the president's speech, Housing Minister Guillermo del Solar told reporters the treaty had been signed earlier Tuesday evening in Lima by the U.S. and Peruvian ambassadors to their respective countries.

Food Aid Program Agreement Signed With France

PY1505141291 Lima RTP Television Network in Spanish 0230 GMT 14 May 91

[Text] The French Government will donate 4,800 metric tons of wheat flour to Peru within the framework of its food aid program to our country.

An agreement on this subject was signed at a ceremony held in the Foreign Ministry treaty room by Peruvian Prime Minister Carlos Torres y Torres Lara and (?Edwis Abeys), acting French foreign minister [title as heard].

The French Government believes that this donation of 4,380 [as heard] metric tons of wheat flour is representative of the friendship and solidarity of the French people.

The acting French foreign minister said in a brief speech that in view of the great efforts being made in Peru, France defends Peru in all international forums.

Foreign Minister Torres y Torres praised French cooperation, noting that through this agreement France has doubled its aid to Peru.

Shining Path Calls 'Armed Stoppage' in Ayacucho

PY1405173891 Madrid EFE in Spanish 0000 GMT 14 May 91

[Excerpt] Ayacucho (Peru), 13 May (EFE)—Local police sources have reported here that two people were murdered today by the "Shining Path" terrorist group in Vilcashuaman, while in Ayacucho the Maoist organization called for an "armed stoppage" on 16 and 17 May.

The "armed stoppages," one of the Shining Path's terrorist practices, are strikes imposed on the citizenry under threat of death to prevent normal activities in the commercial, industrial, and transport sectors.

According to the sources, Jorge Roman, former deputy prefect (deputy civilian governor) of Vilcashuaman, some 120 km south of Ayacucho, and his mother Victoria Ochoa were beheaded by a "Shining Path" armed group after being dragged out of their home. Roman, who worked as a schoolteacher in town, left a widow and nine children.

In Ayacucho, 575 km southeast of Lima, the Maoist organization scattered leaflets on several streets calling for an "armed stoppage" on 16 and 17 May. The leaflets, signed by the Communist Party of Peru, as the "Shining

Path" calls itself, state that the stoppage seeks to "commemorate" the 11th anniversary of the armed struggle. [passage omitted]

Shining Path Activists Arrested in Huaraz

PY1405190991 Madrid EFE in Spanish 1558 GMT 16 May 91

[Text] Huaraz, Peru, 14 May (EFE)—Pedro Maguina, the prefect (civilian governor) of Ancash, today reported that the Peruvian National Police have arrested 18 alleged Shining Path activists.

The prefect stated that in Palo Seco, Pomabamba Province, 10 subversives were arrested. These terrorists attacked buses, demanding money from the passengers to finance the "armed struggle."

According to information received, 35 FAL carbines, \$8,000, military uniforms, and half a ton of seditious propaganda were seized from the arrested persons.

The terrorists also had a large quantity of national currency which they presumed they were to distribute among the inhabitants of the zone in exchange for their support.

In San Marcos, Huari Province, eight other Shining Path members, including two women, have been arrested. They used to paint graffiti on the walls in the towns calling for "the armed struggle."

Ancash Department, the capital of which is Huaraz, borders to the south with Lima Department.

Guyana

Carter Center Confirms Election Observation

FL1405132091 Bridgetown CANA in English 2154 GMT 13 May 91

[Text] Georgetown, Guyana, May 13, CANA—The U.S.-based Carter Centre, replying to concerns by the government of President Desmond Hoyte, has confirmed it will observe elections here on its own, the government said. A statement released at the weekend said Carter Centre Executive Secretary Dr. Robert Pastor confirmed that the centre is not working with the National Democratic Institute of Washington [NDI] and does not intend to do so in Guyana.

Pastor said the centre respects without reservation, or equivocation the government's views on the matter, adding that the centre intends to remain in contact with the NDI, Commonwealth group, and any other working group to learn as much as it can about the electoral process here.

The government last week wrote the centre expressing concern that an NDI visit last week to observe registration for elections due by year end and hold a seminar on the electoral process could undermine progress on electoral reforms.

NDI has worked elsewhere with the Carter Centre, which along with the Commonwealth Secretariat, has been invited by the Hoyte government to observe the elections. The government said that in light of the progress made, latterly with the assistance of the Carter Centre and Commonwealth, the NDI's activities here could sour the climate for reform. It said the activities were "unnecessary, superfluous, and undesirable."

NDI Director Thomas Melia said during the seminar Saturday that the visit was not intended to be disruptive. "We are here simply to share information," he stated.

Protest Letter Sent

FL1305144091 Bridgetown CANA in English
2040 GMT 11 May 91

[Text] Georgetown, Guyana, May 11, CANA—A senior Guyana government official has written to the Carter Centre—invited to observe elections here—protesting against the presence of a team from the National Democratic Institute [NDI]. Dr. Cedric Grant, special adviser to President Desmond Hoyte on foreign affairs, expressed the government's concern over the visit.

He said the NDI mission had "assumed a role that is tantamount to that of an international observer team." Grant said that the visit and the activities planned by the Washington-based NDI "are likely to be disruptive and counter-productive." The government considered them unnecessary, he said.

The NDI had planned a seminar this weekend to promote confidence and participation in the local electoral process. Political parties and civic organizations were invited. The advisor said that the visit could only sow confusion and perhaps sour the political atmosphere.

"The government has informed the Carter Centre that it will not be facilitating the visit of the NDI officials which is unnecessary, superfluous, and undesirable," Pastor [name as received] reported. He said the government had not granted permission requested by the NDI officials to visit the hinterland locations.

He criticised as "susceptible to partisan abuse the two-day seminar" since it is almost certain that this seminar would re-open issues that have been settled, fuel scepticism, and provide scope for the drum to be beaten once more in support of free and fair elections."

The Hoyte administration official pointed to the "positive report from Belizean Prime Minister George Price, which said that prospects for a free and fair election have improved significantly since former United States President Jimmy Carter visited here in October last year.

A representative of the National Democratic Institute described the criticisms as unfortunate and a sign of misunderstanding. Tomas Meila told journalists that the NDI would, however, go ahead with the seminar.

"We are here not to disrupt the election process," Melia said. "Our purpose is precisely to do what little we can do to help the election process and we are here at the request of Guyanese.

"We are here simply to share information and we believe that it will contribute to stabilising the political process rather than disrupting it."

The seminar will feature Danielle Tardieu of Haiti, Bernard Craighead of the United States, Ramon Lima of Panama, Billie Miller of Barbados, and Selwyn Ryan of Trinidad. They will speak on topics including the scrutinising of voter registration lists. Guyana is expected to hold elections late 1991 after compilation of a voter-registration list to replace one riddled with inaccuracies.

Observer Team Reports

FL1005210091 Bridgetown CANA in English
1900 GMT 10 May 91

[Text] Toronto, May 10, CANA—Former Ontario Premier David Peterson, who headed a four-member Commonwealth observer team to Guyana to monitor voter registration, has reported that the process is going "reasonably well" in some areas and slow in others.

Peterson who crossed the Demerara River by ferry and travelled to the interior of Guyana, blamed transportation and communication problems for delays in the enumeration of voters.

"We (the members of the team) recommended a massive publicity campaign to make people aware of the process. But it is a tough country in which to run such a campaign," he told CANA. Things do not move easily in Guyana, he remarked. He said that the floating bridge on the Demerara River has sunk and that this was seriously affecting transportation.

Guyana is gearing for general elections later this year. The poll was postponed to allow for electoral reforms and compilation of a new voters list to replace one riddled with inaccuracies. Deadline for the registration of voters is May 17. However, Peterson said that there will be an appeal period "for a couple of weeks" after the deadline. "During this period someone who was missed can still get on the voters' list," he explained.

Peterson reported that the Commonwealth team has recommended that the name and number of every polling station be printed on the ballot for the forthcoming national elections in Guyana. The identification of the polling station on the ballot would make the voting system fairer, he suggested.

The Commonwealth team also recommended the use of steel ballot boxes to replace those made of wood,

Peterson said, noting that "there have been allegations in the past of irregularities with respect to ballot boxes."

PPP Rejects Call For Caretaker Government

*FL1105185591 Bridgetown CANA in English
1339 GMT 11 May 91*

[Text] Georgetown, Guyana, May 11, CANA—The Marxist People's Progressive Party (PPP) has rejected a call for a caretaker government as Guyana prepares for delayed general elections.

In a statement on Saturday, the party headed by former premier, Dr. Cheddi Jagan, said it was not necessary to work out 'contrived arrangements' at a time when free and fair elections are within the Guyanese people's grasp. The call for a caretaker government came from the Working People's Alliance, like the PPP an opposition party, and the pressure group guard.

Belize Prime Minister George Price, on a recent visit here to look at the preparation for the poll, brushed aside the suggestion. He said that such a government would be necessary only if there had been a bloody revolution in Guyana.

The PPP said if it won the election, it would be willing to form a broad-based, multi-party government with ethnic and class balance, under a culture of political and ideological pluralism.

The Guyana Government has postponed elections until later this year, allowing for a voter-registration programme to replace a list riddled with inaccuracies.

Power Workers Threaten Further Labor Unrest

*FL1405115291 Bridgetown CANA in English
2035 GMT 13 May 91*

[Text] Georgetown, Guyana, May 13, CANA—A union which called a five-day strike by electricity workers here earlier this month is threatening similar action unless the Utilities Ministry speedily sets up a tribunal to resolve the disputes. The National Association of Agricultural, Commercial, and Industrial Employees (NAACIE) is asking Utilities Minister Robert Corbin to "urgently set up the tribunal" to settle a wages row and a recognition issue between NAACIE and another union.

"Any delay can only lead to further labour disruption at the corporation," a statement signed by Takechandra [name as received], general secretary of NAACIE, said Monday.

The strike by workers at the state-owned Guyana Electricity Corporation (GEC), according to NAACIE, was settled after the ministry agreed to set up a body to arbitrarily resolve the disputes. However, the ministry issued a statement shortly after saying that Corbin was never involved in the talks with NAACIE and gave no undertaking to set up the body.

NAACIE says that under the existing law governing the utilities sector, the minister is responsible for establishing such a tribunal to settle disputes within the GEC. The union had said shortly after the strike ended that it was looking forward to the speedy setting up of the body.

Electricity workers went on strike to press their demands for higher wages than the 50 per cent increase the corporation was offering and to prod the GEC into holding a poll for workers to choose between NAACIE and the Manpower Citizens Association (MPCA).

Miners Declare Record Gold Production Levels

*FL1405134891 Bridgetown CANA in English
1238 GMT 14 May 91*

[Text] Georgetown, Guyana, May 14, CANA—Guyana's gold miners are declaring record production levels, with April earnings topping 160 million Guyana dollars (1 U.S. = 122 dollars Guy). Raw burnt gold declarations to the Guyana Gold Board reached a new high of 3,840 ounces last month, according to official figures. This declaration surpassed last year's ceiling of 3,300 ounces and took the 1991 total to 14,618 ounces.

With the miners being paid at competitive prices a record 10,768 ounces was collected by the board for the first quarter of this year, netting the vendors Guy 431 million dollars. The board has set itself a 1991 target of 42,000 ounces.

Dollar Continues Upward Climb for Fourth Week

*FL1405152891 Bridgetown CANA in English
1351 GMT 14 May 91*

[Text] Georgetown, Guyana, May 14, CANA—The weekly official fix of the Guyana dollar rose Monday for the fourth consecutive week, with the Central Bank announcing a Guy 122 dollars to U.S. 1 dollar exchange rate. Last week's rate was Guy 123.50 to U.S. 1 dollar, set by the Central Bank in the system which requires the official rate to approximate the weekly movements in the free currency market. Free market currency traders in the city, who resumed trading Monday at a G 123 to U.S. 1 dollar rate prevalent in the free market for the past two weeks, said they expected a fall in the rate because of reduced demand for the U.S. currency.

A month ago the exchange rate reached a record low with Guy 128 dollars exchanging for U.S. 1 dollar (or one Guyana dollar = 0.78 cents U.S.). The four consecutive weeks of appreciation, reflected in the movement of the official rate up to this week, means the exchange value of the Guyana dollar has risen to just under 0.82 cents U.S.

Prices of imported consumer goods, and prices paid to producers of export goods, closely reflect the free market exchange movement, gold being the most responsive. The price paid to gold producers is set every day to reflect the free market exchange rate.